

CHAPTER 273
AREA EDUCATION AGENCIES

Referred to in §74.1, 256.82, 257.36, 279.23, 280.8, 280A.1, 282.3, 514C.35

Table listing sections 273.1 through 273.17, organized into Subchapter I (General Provisions) and Subchapter II (Reorganization or Dissolution). Includes descriptions like 'Intent', 'Area education agencies established', 'Duties of administrator', etc.

SUBCHAPTER I
GENERAL PROVISIONS

273.1 Intent.

It is the intent of the general assembly to provide an effective, efficient, and economical means of identifying and serving children from under five years of age through grade twelve who require special education and any other children requiring special education as defined in section 256B.2; to provide for media services and other programs and services for pupils in grades kindergarten through twelve and children requiring special education as defined in section 256B.2; to provide a method of financing the programs and services; to provide services to school districts under a contract with those school districts; to improve student achievement; and to close student achievement gaps.

[C75, 77, 79, 81, §273.1]

87 Acts, ch 224, §44; 2024 Acts, ch 1002, §4

Referred to in §256B.9, 273.2, 273.3, 273.23

Section amended

273.2 Area education agencies established — powers — services and programs.

1. There are established throughout the state nine area education agencies, each of which is under the general supervision of the director of the department of education, except as otherwise provided in this chapter. Each area education agency shall have an area education agency board of directors that shall serve in an advisory capacity. The boundaries of an area education agency shall not divide a school district. The director of the department of education shall change boundaries of area education agencies to take into account mergers of local school districts and changes in boundaries of local school districts, when necessary to maintain the policy of this chapter that a local school district shall not be a part of more than one area education agency.

2. An area education agency established under this chapter is a body politic as a school corporation for the purpose of exercising powers granted under this chapter, and may sue and be sued. An area education agency may hold property and execute purchase agreements

within two years of a disaster as defined in [section 29C.2, subsection 4](#), and lease-purchase agreements pursuant to [section 273.3, subsection 7](#), and if the lease-purchase agreement exceeds ten years or the purchase price of the property to be acquired pursuant to a purchase or lease-purchase agreement exceeds the amount stated in [section 26.3, subsection 1](#), the area education agency shall conduct a public hearing on the proposed purchase or lease-purchase agreement and receive approval from the area education agency board of directors and the state board of education or its designee before entering into the agreement.

3. a. The area education agency shall furnish educational services and programs as provided in [section 273.1, this section, sections 273.3 through 273.8, and chapter 256B](#) to pupils enrolled in public or nonpublic schools which are on the list of accredited schools pursuant to [section 256.11](#), which request to receive such services. The programs and services provided shall be at least commensurate with programs and services existing on July 1, 1974. The programs and services provided to pupils enrolled in nonpublic schools shall be comparable to programs and services provided to pupils enrolled in public schools within constitutional guidelines.

b. The area education agency may furnish evidence-based professional development services to public or nonpublic schools which are on the list of accredited schools pursuant to [section 256.11](#) if any of the following requirements are satisfied:

(1) The professional development service is included on the list developed by the director of the department of education pursuant to [section 256.9, subsection 36](#).

(2) The director of the department of education grants approval to the area education agency to furnish the evidence-based professional development services.

4. The area education agency shall provide for special education services and media services for school districts and shall encourage and assist school districts to establish programs for gifted and talented children. The area education agency shall assist in facilitating interlibrary loans of materials between school districts and other libraries.

5. a. The area education agency may furnish services under [subsection 3 or 4](#) to public or nonpublic schools located within its boundaries, or within the boundaries of a contiguous area education agency, which are on the list of accredited schools pursuant to [section 256.11](#).

b. Notwithstanding paragraph “a”, the area education agency may furnish services under [subsection 3 or 4](#) to a public school located within the boundaries of an area education agency that is not contiguous if the school district shares a superintendent with another school district, pursuant to [section 257.11, subsection 5](#), that receives services from the area education agency pursuant to paragraph “a”.

6. The area education agency board may provide for the following programs and services to local school districts, and at the request of local school districts to providers of child development services who have received grants under [chapter 256A](#) from the child development coordinating council, within the limits of funds available:

a. In-service training programs for employees of school districts and area education agencies, provided at the time programs and services are established they do not duplicate programs and services available in that area from the universities under the state board of regents and from other universities and four-year institutions of higher education in Iowa. The in-service training programs shall include but are not limited to regular training concerning mental or emotional disorders which may afflict children and the impact children with such disorders have upon their families.

b. Educational data processing pursuant to [section 256.9, subsection 11](#).

c. Research, demonstration projects and models, and educational planning for children under five years of age through grade twelve and children requiring special education as defined in [section 256B.2](#) as approved by the state board of education.

d. Auxiliary services for nonpublic school pupils as provided in [section 256.12](#). However, if auxiliary services are provided their funding shall be based on the type of service provided.

e. Other educational programs and services for children under five years through grade twelve and children requiring special education as defined in [section 256B.2](#) and for employees of school districts and area education agencies as approved by the state board of education.

7. The board of directors of an area education agency shall not establish programs

and services which duplicate programs and services which are or may be provided by the community colleges under the provisions of [chapter 260C](#). An area education agency shall contract, whenever practicable, with other school corporations for the use of personnel, buildings, facilities, supplies, equipment, programs, and services.

8. The board of an area education agency or a consortium of two or more area education agencies shall contract with one or more licensed dietitians for the support of nutritional provisions in individual education plans developed in accordance with [chapter 256B](#) and to provide information to support school nutrition coordinators.

9. The area education agency board shall collaborate with the department of education to provide a statewide infrastructure for educational data to create cost efficiencies, provide storage and disaster mitigation, and improve interconnectivity between schools and school districts. In addition, the area education agency boards shall work with the department to provide systemwide coordination in the implementation of the statewide longitudinal data system consistent with the federal American Recovery and Reinvestment Act of 2009. The area education agencies shall provide support to school districts' information technology infrastructure that is consistent with the statewide infrastructure for the educational data collaborative.

10. The area education agency boards shall jointly develop a three-year statewide strategic plan that supports goals adopted by the state board of education pursuant to [section 256.7, subsection 4](#), and the accreditation standards established pursuant to [section 256.11](#); establish performance goals; and clearly identify the statewide efforts to improve student learning and create efficiencies in management operations for area education agencies and school districts. The statewide strategic plan shall be approved by the state board of education. The area education agency boards shall jointly provide the state board with annual updates on the performance measures.

11. The area education agency board is encouraged to employ a child welfare liaison to provide services and guidance to local school districts to facilitate the efficient and effective transfer and enrollment of a child adjudicated under [chapter 232](#) or receiving foster care services to another school district, including but not limited to guidance relating to the transfer of credit earned for coursework taken by the student, enrollment transition planning, facilitating information sharing between education and child welfare agencies, and developing systems designed to ameliorate the transition issues faced by a child adjudicated under [chapter 232](#) or receiving foster care services who is transferring to and enrolling in a school district.

12. Subject to an appropriation by the general assembly for such purpose, the area education agency board shall, by July 1, 2024, dedicate at least one full-time equivalent position to maintain a dyslexia specialist. The area education agency board may hire such a specialist or may provide appropriate training to qualify an existing employee as a specialist on dyslexia. The specialist shall provide technical guidance and assistance, including but not limited to professional development, strategies, and materials to school districts and accredited nonpublic schools relating to identification of and instruction for students with characteristics of dyslexia. The specialist shall be highly trained in dyslexia and have a minimum of three years of field experience in screening, identifying, and treating dyslexia and related disorders. In the absence of an appropriation, each area education agency board is encouraged to employ a highly qualified dyslexia specialist.

13. The area education agency shall charge reasonable costs that are consistent with current market rates for the educational services, special education services, professional development services, and media services established by the area education agency.

14. The area education agency shall provide an annual report by January 1 of each year to the department of education, and to public schools and nonpublic schools located within the area education agency's boundaries which are on the list of accredited schools pursuant to [section 256.11](#), a detailed description of the educational services, special education programs and services, professional development services, and media services that the area education

agency provides, and the cost associated with purchasing such programs and services from the area education agency.

[C66, 71, 73, §280A.25(3); C75, 77, 79, 81, §273.2, 280A.25(3); 82 Acts, ch 1006, §1, 2, ch 1136, §1]

84 Acts, ch 1103, §1; 85 Acts, ch 195, §30; 86 Acts, ch 1245, §1457; 87 Acts, ch 115, §39; 89 Acts, ch 135, §57; 95 Acts, ch 182, §20; 2001 Acts, ch 158, §23; 2008 Acts, ch 1187, §143; 2009 Acts, ch 65, §5; 2010 Acts, ch 1031, §270; 2011 Acts, ch 132, §63, 106; 2012 Acts, ch 1023, §38; 2012 Acts, ch 1138, §61; 2014 Acts, ch 1091, §1; 2020 Acts, ch 1048, §5; 2020 Acts, ch 1063, §124; 2021 Acts, ch 25, §1; 2024 Acts, ch 1002, §5, 6, 22

Referred to in §256.9, 256.32A, 256B.9, 256L.8, 273.3, 273.6, 273.11, 273.23, 280.29

2024 amendment to subsections 3 and 4 applies to school years beginning on or after July 1, 2025; 2024 Acts, ch 1002, §22

Subsection 5 applies to school years beginning on or after July 1, 2025; 2024 Acts, ch 1002, §22

Subsections 1, 3, and 4 amended

NEW subsections 5, 13, and 14 and former subsections 5 – 11 renumbered as 6 – 12

### **273.3 Duties and powers of area education agency board — additional powers of area education agencies.**

The board in carrying out the provisions of [section 273.2](#) shall:

1. Advise and consult with the area education agency on policies and procedures for providing programs and services.

2. Be authorized to receive and expend money for providing programs and services as provided in [sections 273.1](#), [273.2](#), [this section](#), [sections 273.4 through 273.8](#), and [chapters 256B](#) and [257](#). All costs incurred in providing the programs and services, including administrative costs, shall be paid from funds received pursuant to [sections 273.1](#), [273.2](#), [this section](#), [sections 273.4 through 273.8](#), and [chapters 256B](#) and [257](#).

3. Provide data and prepare reports as directed by the director of the department of education.

4. Provide for advisory committees as deemed necessary.

5. Area education agencies are authorized, subject to rules of the state board of education, to provide directly or by contractual arrangement with public or private agencies for special education programs and services, media services, and educational programs and services requested by the local boards of education as provided in [this chapter](#), including but not limited to contracts for the area education agency to provide programs or services to the local school districts and contracts for local school districts, other educational agencies, and public and private agencies to provide programs and services to the local school districts in the area education agency in lieu of the area education agency providing the services. Contracts may be made with public or private agencies located outside the state if the programs and services comply with the rules of the state board. Rules adopted by the state board of education shall be consistent with rules, adopted by the board of educational examiners, relating to licensing of practitioners.

6. Area education agencies may cooperate and contract between themselves and with other public agencies to provide special education programs and services, media services, and educational services to schools and children residing within their respective areas. Area education agencies may provide print and nonprint materials to public and private colleges and universities that have teacher education programs approved by the state board of education.

7. Area education agencies are authorized to lease, purchase, or lease-purchase, subject to the approval of the state board of education or its designee and to receive by gift and operate and maintain facilities and buildings necessary to provide authorized programs and services. However, a lease for less than ten years and with an annual cost of less than the amount stated in [section 26.3, subsection 1](#), does not require the approval of the state board. The state board shall not approve a lease, purchase, or lease-purchase until the state board is satisfied by investigation that public school corporations within the area do not have suitable facilities available. A purchase of property that is not a lease-purchase may be made only within two years of a disaster as defined in [section 29C.2, subsection 4](#), and subject to the requirements of [this subsection](#).

8. Area education agencies are authorized, subject to the approval of the director of the

department of education, to enter into agreements for the joint use of personnel, buildings, facilities, supplies, and equipment with school corporations as deemed necessary to provide authorized programs and services.

9. Area education agencies are authorized to make application for, accept, and expend state and federal funds that are available for programs of educational benefit approved by the director of the department of education, and cooperate with the department in the manner provided in federal-state plans or department rules in the effectuation and administration of programs approved by the director, or approved by other educational agencies, which agencies have been approved as state educational authorities.

10. Be authorized to perform all other acts necessary to carry out the provisions and intent of [this chapter](#).

11. Employ personnel to carry out the functions of the area education agency which shall include the employment of an administrator who shall possess a license issued under [chapter 256, subchapter VII, part 3](#). The administrator shall be employed pursuant to [section 279.20](#) and [sections 279.23, 279.24, and 279.25](#). The salary for an area education agency administrator shall be established by the board based upon the previous experience and education of the administrator; provided, however, that the salary for an area education agency administrator shall not exceed one hundred twenty-five percent of the average salary of all superintendents of the school districts that are located within the boundaries of the area education agency at the time the employment agreement is entered into or renewed between an area education agency and an area education agency administrator. [Section 279.13](#) applies to the area education agency board and to all teachers employed by the area education agency. [Sections 279.23, 279.24, and 279.25](#) apply to the area education board and to all administrators employed by the area education agency. [Section 279.69](#) applies to the area education agency board and employees of the board, including part-time, substitute, or contract employees, who provide services to a school or school district.

12. Area education agencies shall prepare an annual budget estimating income and expenditures for programs and services as provided in [sections 273.1, 273.2, this section, sections 273.4 through 273.8, and chapter 256B](#) within the limits of funds provided under [section 256B.9](#) and [chapter 257](#). The board shall submit the proposed budget to the director of the department of education for approval not later than March 1 of each year, and the director shall either approve or reject the proposed budget for changes within ten days after submission. The proposed budget as approved by the director of the department of education shall then be submitted to the state board of education, on forms provided by the department, no later than March 15 preceding the next fiscal year for approval. The state board shall review the proposed budget of each area education agency and shall before May 1, either grant approval or return the budget without approval with comments of the state board included. An unapproved budget shall be resubmitted to the state board for final approval not later than May 15. The state board shall give final approval only to budgets submitted by area education agencies accredited by the state board or that have been given conditional accreditation by the state board.

13. Be authorized to pay, out of funds available to the board reasonable annual dues to an Iowa association of school boards. Membership shall be limited to those duly elected members of the area education agency board.

14. *a.* The board may establish a plan, in accordance with section 403(b) of the Internal Revenue Code, as defined in [section 422.3](#), for employees, which plan shall consist of one or more investment contracts, on a group or individual basis, acquired from a company, or a salesperson for that company, that is authorized to do business in this state.

*b.* The selection of investment contracts to be included within the plan established by the board shall be made either pursuant to a competitive bidding process conducted by the board, in coordination with employee organizations representing employees eligible to participate in the plan, or pursuant to an agreement with the department of administrative services to make available investment contracts included in a deferred compensation or similar plan established by the department pursuant to [section 8A.438](#), which plan meets the requirements of [this subsection](#). The determination of whether to select investment contracts for the plan pursuant to a competitive bidding process or by agreement with the

department of administrative services shall be made by agreement between the board and the employee organizations representing employees eligible to participate in the plan.

c. The board may make elective deferrals in accordance with the plan as authorized by an eligible employee for the purpose of making contributions to the investment contract on behalf of the employee. The deferrals shall be made in the manner which will qualify contributions to the investment contract for the benefits under section 403(b) of the Internal Revenue Code, as defined in [section 422.3](#). In addition, the board may make nonelective employer contributions to the plan.

d. As used in [this subsection](#), unless the context otherwise requires, “*investment contract*” shall mean a custodial account utilizing mutual funds or an annuity contract which meets the requirements of section 403(b) of the Internal Revenue Code, as defined in [section 422.3](#).

15. Be authorized to establish and pay all or any part of the cost of group health insurance plans, nonprofit group medical service plans and group life insurance plans adopted by the board for the benefit of employees of the area education agency, from funds available to the board.

16. Meet at least annually with the members of the boards of directors of the merged areas in which the area education agency is located to discuss coordination of programs and services and other matters of mutual interest to the boards.

17. Be authorized to issue warrants and anticipatory warrants pursuant to [chapter 74](#). The applicable rate of interest shall be determined pursuant to [sections 74A.2, 74A.3, and 74A.7](#). [This subsection](#) shall not be construed to authorize a board to levy a tax.

18. Be authorized to issue school credit cards allowing area education agency employees to pay for the actual and necessary expenses incurred in the performance of work-related duties.

19. Pursuant to rules adopted by the state board of education, be authorized to charge user fees for certain materials and services that are not required by law or by rules of the state board of education and are specifically requested by a school district or accredited nonpublic school.

20. Be authorized to purchase equipment as provided in [section 279.48](#).

21. Be authorized to sell, lease, or dispose of, in whole or in part, property belonging to the area education agency. Before the area education agency may sell property belonging to the agency, the board of directors shall comply with the requirements set forth in [section 297.22](#). Before the board of directors of an area education agency may lease property belonging to the agency, the board shall obtain the approval of the director of the department of education.

22. Meet annually with the members of the boards of directors of the school districts located within its boundaries if requested by the school district boards.

23. By October 1 of each year, submit to the department of education the following information:

a. The contracted salary including bonus wages and benefits, annuity payments, or any other benefit for the administrators of the area education agency.

b. The contracted salary and benefits and any other expenses related to support for governmental affairs efforts, including expenditures for lobbyists and lobbying activities for the area education agency.

24. Be authorized to sell software and support services, professional development programs and materials, online professional development, and online training to entities other than school districts within the state and to school districts and other public agencies located outside of the state. The board may also sell to school districts within this state software and support services, professional development programs and materials, online professional development, and online training which the area education agency is not otherwise required to provide to a school district under [this chapter](#) or [chapter 256B](#) or [257](#).

25. Require, by July 1, 2024, any person employed by the area education agency who holds a license, certificate, statement of recognition, or authorization other than a coaching authorization, issued by the board of educational examiners under [chapter 256, subchapter VII, part 3](#), to complete the Iowa reading research center dyslexia overview module. Such persons employed after July 1, 2024, shall complete the module within one year of the employee's initial date of hire.

26. On a quarterly basis, the area education agency shall prepare and submit to each school district that receives services from the area education agency a report that includes all of the following:

a. A monetary accounting of payments the area education agency received from the school district, including payments under [section 257.35](#).

b. A description of all of the following:

(1) The special education services provided by the area education agency to the school district.

(2) The services provided by the area education agency under part C of the federal Individuals with Disabilities Education Act.

(3) The services provided by the area education agency that are related to the child find process for special education.

(4) The services provided by the area education agency to accredited nonpublic schools and charter schools.

[C51, §417; R60, §648, 2074; C73, §771, 1776; C97, §2742, 2831, 2832; S13, §2742, 2831, 2832; SS15, §2734-b; C24, 27, 31, 35, 39, **§4122, 4456 – 4458, 5232 – 5234**; C46, §273.4, 301.12 – 301.14, 340.13 – 340.15; C50, 54, 58, 62, §273.12, 273.13; C66, §273.12, 273.13, 273.22; C71, 73, §273.12, 273.13, 273.22, 273.24; C75, 77, 79, 81, §273.3; **81 Acts, ch 87, §1; 82 Acts, ch 1080, §1, ch 1136, §2, 3]**

**83 Acts, ch 2, §1; 84 Acts, ch 1010, §2; 84 Acts, ch 1315, §34; 85 Acts, ch 138, §2, 3; 85 Acts, ch 212, §21; 86 Acts, ch 1213, §5; 86 Acts, ch 1245, §1458; 86 Acts, ch 1246, §133; 87 Acts, ch 115, §40; 87 Acts, ch 233, §474, 475; 89 Acts, ch 135, §58; 89 Acts, ch 265, §34; 92 Acts, ch 1050, §1; 92 Acts, ch 1227, §17; 94 Acts, ch 1089, §1; 94 Acts, ch 1175, §5; 94 Acts, ch 1183, §63; 96 Acts, ch 1215, §47, 48; 97 Acts, ch 184, §2; 2008 Acts, ch 1171, §64, 68; 2009 Acts, ch 65, §6; 2009 Acts, ch 179, §161; 2012 Acts, ch 1023, §39; 2013 Acts, ch 30, §66; 2013 Acts, ch 88, §11; 2013 Acts, ch 141, §19; 2014 Acts, ch 1135, §23; 2020 Acts, ch 1048, §6; 2020 Acts, ch 1063, §125; 2021 Acts, ch 25, §2; 2023 Acts, ch 19, §2581; 2024 Acts, ch 1002, §7, 8, 20**

Referred to in [§256B.2](#), [256B.9](#), [257.9](#), [257.10](#), [273.2](#), [273.9](#), [273.23](#), [280.7A](#)

2024 amendment to subsection 11 applies to employment agreements entered into or renewed between an area education agency and an area education agency administrator on or after July 1, 2024; 2024 Acts, ch 1002, §20  
Section amended

#### **273.4 Duties of administrator.**

Under direction of the board of directors of the area education agency, the administrator of the area education agency shall, in addition to other duties:

1. Cooperate with boards of directors of local school districts of the area education agency in considering and developing plans for the improvement of the educational programs and services in the area education agency.

2. When requested, provide such other assistance as possible to school districts of the area education agency for the general improvement of their educational programs and operations.

3. Submit program plans each year to the department of education, for approval by the director of the department, to reflect the needs of the area education agency for media services as provided in [section 273.6](#).

[C51, §1148; R60, §2066 – 2068, 2071, 2073; C73, §1766 – 1768, 1770, 1772, 1774, 1775; C97, §2734 – 2740; S13, §2734-f, -l, -m, -p, 2738, 2739; SS15, §2734-b, -c; C24, 27, 31, 35, 39, **§4106**; C46, §271.11; C50, 54, 58, 62, 66, 71, 73, §273.18; C75, 77, 79, 81, §273.4]

**86 Acts, ch 1245, §1459**

Referred to in [§256B.9](#), [273.2](#), [273.3](#), [273.9](#), [273.23](#)

#### **273.5 Special education.**

There shall be established a division of special education of the area education agency which shall provide for special education programs and services to the local school districts. The division of special education shall be headed by a director of special education who meets certification standards of the department of education. The director of special education shall be an employee of the division of special education of the department of education. The director of special education shall not be an employee of the area education agency, shall not receive compensation from the area education agency, shall not supervise

or manage employees of the area education agency, and shall not directly provide special education services for the agency. The director of special education's primary job duties and responsibilities to the area education agency are to provide oversight of the area education agency's special education services. The director of special education shall also have the responsibility for implementation of state regulations and guidelines relating to special education programs and services. The director of special education shall have the following powers and duties:

1. Properly identify children requiring special education.
2. Insure that each child requiring special education in the area receives an appropriate special education program or service.
3. Assign appropriate weights for each child requiring special education programs or services as provided in [section 256B.9](#).
4. Supervise special education support personnel.
5. Provide each school district within the area served and the department of education with a special education weighted enrollment count, including the additional enrollment because of special education for December 1 of each year.
6. Submit to the department of education special education instructional and support program plans and applications, subject to criteria listed in [chapter 256B](#) and [this chapter](#), for approval by February 15 of each year for the school year commencing the following July 1.
7. Coordinate the special education program within the area served.

[C75, 77, 79, 81, §273.5]

[89 Acts, ch 135, §59](#); [2024 Acts, ch 1002, §9](#)

Referred to in [§256B.9](#), [256B.11](#), [273.2](#), [273.3](#), [273.9](#), [273.23](#), [280.15](#)  
Unnumbered paragraph 1 amended

### **273.6 Media centers.**

1. The media centers required under [section 273.2](#) shall contain:
  - a. A materials lending library, consisting of print and nonprint materials.
  - b. A professional library.
  - c. A curriculum laboratory, including textbooks and correlated print and audiovisual materials.
  - d. Capability for production of media-oriented instructional materials.
  - e. Qualified media personnel.
  - f. Appropriate physical facilities.
  - g. Other materials and equipment deemed necessary by the department.
2. Program plans submitted by the area education agency to the department of education for approval by the state board of media centers under [this subsection](#) shall include all of the following:
  - a. Evidence that the services proposed are based upon an analysis of the needs of the local school districts in the area.
  - b. Description of the manner in which the services of the area education agency media center will be coordinated with other agencies and programs providing educational media.
  - c. Description of the means for delivery of circulation materials.
  - d. Evidence that the media center fulfills the requirements of [subsection 1](#).

[C75, 77, 79, 81, §273.6]

Referred to in [§256B.9](#), [257.37](#), [273.2](#), [273.3](#), [273.4](#), [273.9](#), [273.23](#)

### **273.7 Additional services.**

If sixty percent of the number of local school boards located in an area education agency, or if local school boards representing sixty percent of the enrollment in the school districts located in the agency, request in writing to the area education agency board that an additional service be provided them, for pupils in grades kindergarten through twelve or children requiring special education as defined in [section 256B.2](#) or for employees or board members of school districts or area education agencies, the area education agency board

shall arrange for the service to be provided to all school districts in the area within the financial capabilities of the area education agency.

[C75, 77, 79, 81, §273.7]

Referred to in §256B.9, 273.2, 273.3, 273.23

#### **273.7A Services to school districts.**

1. The board of an area education agency may provide services to school districts located in the area education agency under contract with the school districts. These services may include, but are not limited to, superintendency services, personnel services, business management services, specialized maintenance services, and transportation services. In addition, the board of the area education agency may provide for furnishing expensive and specialized equipment for school districts. School districts shall pay to area education agencies the cost of providing the services.

2. The board of an area education agency may also provide services authorized to be performed by area education agencies to other area education agencies in this state and to provide a method of payment for these services.

87 Acts, ch 224, §45

Referred to in §256B.9, 273.2, 273.3, 273.23

#### **273.8 Area education agency board of directors.**

##### *1. Board of directors.*

a. The board of directors of an area education agency shall consist of nine members. Each director shall serve a four-year term which commences at the organization meeting.

b. Five members of the board of directors of an area education agency must be residents of and elected in the manner provided in [this section](#) from a director district that is approximately equal in population to the other director districts in the area education agency.

c. Four members of the board of directors of an area education agency must be appointed by the majority vote of the superintendents of school districts located within the boundaries of the area education agency. A member appointed pursuant to this paragraph must be a superintendent of a school district located within the boundaries of the area education agency; provided, however, that a superintendent appointed pursuant to this paragraph may designate any individual to serve for all, or the remainder of, the superintendent's term.

2. *Election of directors.* Except as otherwise provided in [subsection 3](#), the board of directors of an area education agency shall be elected by a vote of the members of the boards of directors of the local school districts located within the director district. The procedure for conducting the elections shall be as follows:

a. Notice of the election shall be published by the area education agency administrator not later than September 15 of the odd-numbered year in at least one newspaper of general circulation in the director district. The cost of publication shall be paid by the area education agency.

b. A candidate for election to the area education agency board shall file a statement of candidacy with the area education agency secretary not later than October 15 of the odd-numbered year, on forms prescribed by the department of education. The statement of candidacy shall include the candidate's name, address, and school district. The list of candidates shall be sent by the secretary of the area education agency in ballot form by certified mail to the presidents of the boards of directors of all school districts within the director district not later than November 1. In order for the ballot to be counted, the ballot must be received in the secretary's office by the end of the normal business day on November 30 or be clearly postmarked by an officially authorized postal service not later than November 29 and received by the secretary not later than noon on the first Monday following November 30.

c. The board of each separate school district that is located entirely or partially inside an area education agency director district shall cast a vote for director of the area education agency board described in [subsection 1](#), paragraph "b", based upon the ratio that the population of the school district, or portion of the school district, in the director district bears to the total population in the director district. The population of each school district

or portion shall be determined by the department of education. The member of the area education agency board described in [subsection 1](#), paragraph “b”, to be elected may be a member of a local school district board of directors and shall be an elector and a resident of the director district, but shall not be a school district employee.

d. (1) A vacancy, as defined in [section 277.29](#), in a membership position of the area education agency board described in [subsection 1](#), paragraph “b”, shall be filled for the unexpired portion of the term at a director district convention called and conducted in the manner provided in [subsection 3](#).

(2) A vacancy, as defined in [section 277.29](#), in a membership position of the area education agency board described in [subsection 1](#), paragraph “c”, shall be filled for the unexpired portion of the term by an individual who is appointed by the majority vote of the superintendents of school districts located within the boundaries of the area education agency.

3. *Director district convention.* If no candidate files with the area education agency secretary by the deadline specified in [subsection 2](#), or a vacancy occurs, or if otherwise required as provided in [section 273.23](#), [subsection 3](#), a director district convention, attended by members of the boards of directors of the local school districts located within the director district, shall be called to elect a board member described in [subsection 1](#), paragraph “b”, for that director district. The convention location shall be determined by the area education agency administrator. Notice of the time, date, and place of a director district convention shall be published by the area education agency administrator in at least one newspaper of general circulation in the director district at least thirty days prior to the day of the convention. The cost of publication shall be paid by the area education agency. A candidate for election to the area education agency board shall file a statement of candidacy with the area education agency secretary at least ten days prior to the date of the director district convention on forms prescribed by the department of education, or nominations may be made at the convention by a delegate from a board of directors of a school district located within the director district. A statement of candidacy shall include the candidate’s name, address, and school district. Delegates to director district conventions shall not be bound by a school board or any school board member to pledge their votes to any candidate prior to the date of the convention.

4. *Organization.*

a. The board of directors of each area education agency shall meet and organize at the first regular meeting in December following the regular school election at a suitable place designated by the president. Directors whose terms commence at the organizational meeting shall qualify by taking the oath of office required by [section 277.28](#) at or before the organizational meeting.

b. The provisions of [section 260C.12](#) relating to organization, officers, appointment of secretary and treasurer, and meetings of the merged area board apply to the area education agency board.

5. *Quorum.* A majority of the members of the board of directors of the area education agency shall constitute a quorum.

6. *Change in directors.* The board of an area education agency may change the number of directors on the board and shall make corresponding changes in the boundaries of director districts. Changes shall be completed not later than September 1 of the odd-numbered year for the director district conventions to be held the following November.

7. *Boundary line changes.* To the extent possible the board shall provide that changes in the boundary lines of director districts of area education agencies shall not lengthen or diminish the term of office of a director of an area education agency board. Initial terms of office shall be set by the board so that as nearly as possible the terms of one-half of the members expire biennially.

8. *Census changes.*

a. The board of the area education agency shall redraw boundary lines of director districts in the area education agency after each census to compensate for changes in population if changes in population have taken place.

b. Where feasible, boundary lines of director districts shall coincide with the boundary

lines of school districts and the boundary lines of election precincts established pursuant to [sections 49.3 through 49.6](#).

[C97, §2833; C24, 27, 31, 35, 39, §4119, 4121; C46, §273.1, 273.3; C50, 54, 58, 62, §273.4, 273.5, 273.9, 273.10; C66, 71, 73, §273.4, 273.5, 273.9, 273.10, 280A.23(2); C75, 77, §273.8, 280A.23(2); C79, 81, §273.8, 280A.28, 280A.29; [82 Acts, ch 1088, §1, ch 1136, §4 – 6](#)]

[84 Acts, ch 1219, §13, 14; 85 Acts, ch 138, §4; 2003 Acts, ch 180, §19, 20; 2008 Acts, ch 1115, §7 – 9, 21; 2009 Acts, ch 41, §108; 2010 Acts, ch 1061, §180; 2017 Acts, ch 155, §5 – 7, 9, 10; 2019 Acts, ch 59, §78; 2024 Acts, ch 1002, §10 – 12, 21](#)

Referred to in [§256B.9, 273.2, 273.3, 273.21, 273.23, 273.27](#)

2024 amendments to section apply to the election of directors and vacancies occurring under this section on or after July 1, 2024; 2024 Acts, ch 1002, §21

Subsections 1 and 3 amended

Subsection 2, paragraphs c and d amended

### **273.9 Funding.**

1. School districts shall pay for the programs and services provided through the area education agency and shall include expenditures for the programs and services in their budgets, in accordance with [this section](#).

2. School districts shall pay the costs of special education instructional programs with the moneys available to the districts for each child requiring special education, by application of the special education weighting plan in [section 256B.9](#). Special education instructional programs shall be provided at the local level if practicable, or otherwise by contractual arrangements with the area education agency board as provided in [section 273.3, subsection 5](#), but in each case the total money available through [section 256B.9](#) and [chapter 257](#) because of weighted enrollment for each child requiring special education instruction shall be made available to the district or agency which provides the special education instructional program to the child, subject to adjustments for transportation or other costs which may be paid by the school district in which the child is enrolled. Each district shall cooperate with its area education agency to provide an appropriate special education instructional program for each child who requires special education instruction, as identified and counted within the certification by the area director of special education or as identified by the area director of special education subsequent to the certification, and shall not provide a special education instructional program to a child who has not been so identified and counted within the certification or identified subsequent to the certification.

3. The costs of special education support services provided through the area education agency shall be funded as provided in [chapter 257](#). Special education support services shall not be funded until the program plans submitted by the special education directors of each area education agency as required by [section 273.5](#) are modified as necessary and approved by the director of the department of education according to the criteria and limitations of [chapters 256B](#) and [257](#).

4. The costs of media services provided through the area education agency shall not be funded until the program plans submitted by the administrators of each area education agency as required by [section 273.4](#) are modified as necessary and approved by the director of the department of education according to the criteria of [section 273.6](#).

5. The state board of education shall adopt rules under [chapter 17A](#) relating to the approval of program plans under [this section](#).

[C51, §417; R60, §648, 2074; C73, §771, 1776; C97, §2742, 2831, 2832; S13, §2742, 2831, 2832; SS15, §2734-b; C24, 27, 31, 35, 39, §4456 – 4458, 5232 – 5234; C46, §301.12 – 301.14, 340.13 – 340.15; C50, 54, 58, 62, 66, 71, 73, §273.13; C75, 77, 79, 81, §273.9]

[86 Acts, ch 1245, §1460; 89 Acts, ch 135, §60; 91 Acts, ch 97, §38; 2010 Acts, ch 1061, §95; 2012 Acts, ch 1023, §157](#)

Referred to in [§256B.2, 256B.8, 256B.9, 273.23](#)

### **273.10 Accreditation of area education programs.**

1. The department of education shall develop, in consultation with the area education agencies, and establish an accreditation process for area education agencies by July 1, 1997. At a minimum, the accreditation process shall consist of the following:

a. The timely submission by an area education agency of information required by the department on forms provided by the department.

b. The use of an accreditation team appointed by the director of the department of education to conduct an evaluation, including an on-site visit of each area education agency. The team shall include, but is not limited to, department staff members, representatives from the school districts served by the area education agency being evaluated, area education agency staff members from area education agencies other than the area education agency that conducts the programs being evaluated for accreditation, and other team members with expertise as deemed appropriate by the director.

2. Prior to a visit to an area education agency, the accreditation team shall have access to that area education agency's program audit report filed with the department. After a visit to an area education agency, the accreditation team shall determine whether the accreditation standards for a program, including but not limited to standards established pursuant to [section 256.9, subsection 54](#), have been met and shall make a report to the director and the state board, together with a recommendation as to whether the programs of the area education agency should receive initial accreditation or remain accredited. The accreditation team shall report strengths and weaknesses, if any, for each accreditation standard and shall advise the area education agency of available resources and technical assistance to further enhance the strengths and improve areas of weakness. An area education agency may respond to the accreditation team's report.

3. The state board of education shall determine whether a program of an area education agency shall receive initial accreditation or shall remain accredited.

a. Approval of area education agency programs by the state board shall be based upon the recommendation of the director of the department of education after a study of the factual and evaluative evidence on record about each area education agency program in terms of the accreditation standards adopted by the state board.

b. Approval, if granted, shall be for a term of five years. However, the state board may grant conditional approval for a term of less than five years if conditions warrant.

4. If the state board of education determines that an area education agency's program does not meet accreditation standards, the director of the department of education, in cooperation with the board of directors of the area education agency, shall establish a remediation plan prescribing the procedures that must be taken to correct deficiencies in meeting the program standards, and shall establish a deadline date for correction of the deficiencies. The remediation plan is subject to the approval of the state board.

5. The area education agency program shall remain accredited during the implementation of the remediation plan. The accreditation team shall visit the area education agency and shall determine whether the deficiencies in the standards for the program have been corrected and shall make a report and recommendation to the director and the state board of education. The state board shall review the report and recommendation and shall determine whether the deficiencies in the program have been corrected.

6. a. If the deficiencies in an area education program have not been corrected, the agency board shall take one of the following actions within sixty days from removal of accreditation:

(1) Merge the deficient program with a program from another accredited area education agency.

(2) Contract with another area education agency or other public educational institution for purposes of program delivery.

b. The rules developed by the state board of education for the accreditation process shall include provisions for removal of accreditation, including provisions for proper notice to the administrator of the area education agency, each member of the board of directors of the area education agency, and the superintendents and administrators of the schools of the districts served by the area education agency.

[96 Acts, ch 1215, §49; 2001 Acts, ch 114, §1; 2009 Acts, ch 41, §263; 2010 Acts, ch 1031, §271](#)

Referred to in [§273.23](#)

For future amendment to subsection 6, effective July 1, 2025, see 2024 Acts, ch 1002, §13, 19

### **273.11 Standards for accrediting area education agency programs.**

1. The state board of education shall develop standards and rules for the accreditation of area education agencies. Standards shall be general in nature, but at a minimum shall identify requirements addressing the services provided by each division, as well as identifying indicators of quality that will permit area education agencies, school districts, the department of education, and the general public to judge accurately the effectiveness of area education agency services.

2. Standards developed shall include, but are not limited to, the following:

a. Support for school-community planning, including a means of assessing needs, establishing shared direction and implementing program plans and reporting progress.

b. Professional development programs that respond to current needs.

c. Support for curriculum development, instruction, and assessment for reading, language arts, math and science, using research-based methodologies.

d. Special education compliance and support.

e. Management services, including financial reporting and purchasing as requested and funded by local districts.

f. Support for instructional media services that supplement and support local district media centers and services.

g. Support for school technology planning and staff development for implementing instructional technologies.

h. A program and services evaluation and reporting system.

i. Support for school district libraries in accordance with [section 273.2, subsection 4](#).

j. Support for early childhood service coordination for families and children to meet health, safety, and learning needs.

[96 Acts, ch 1215, §50; 2001 Acts, ch 158, §24; 2010 Acts, ch 1031, §272; 2011 Acts, ch 34, §72](#)

Referred to in [§273.23](#)

For future amendment to this section, effective July 1, 2025, see 2024 Acts, ch 1002, §14, 19

Section not amended; headnote revised

### **273.12 Funds — use restricted.**

Funds generated for educational services shall not be expended by an area education agency for the purpose of assisting either a public employer or employee organization in collective bargaining negotiations under [chapter 20](#) if the public employer is a school district, or the employee organization consists of employees of a school district, located within the boundaries of the area education agency.

[C79, 81, §273.12]

[89 Acts, ch 135, §61; 91 Acts, ch 97, §39](#)

### **273.13 Administrative expenditures.**

The administrative expenditures as a percent of an area education agency's general fund for a base year shall not exceed five percent. Annually, the board of directors shall certify to the department of education the amounts of the area education agency's expenditures and its general fund. For the purposes of [this section](#), "base year" means the same as defined in [section 257.2](#), and "administrative expenditures" means expenditures for executive administration.

[86 Acts, ch 1226, §19; 88 Acts, ch 1158, §55; 89 Acts, ch 135, §62; 2013 Acts, ch 88, §12](#)

### **273.14 Emergency repairs.**

When emergency repairs costing more than the competitive bid threshold in [section 26.3](#), or the adjusted competitive bid threshold established in [section 314.1B, subsection 2](#), are necessary in order to ensure the use of an area education agency facility, the provisions of law with reference to advertising for bids shall not apply within two years of a disaster as defined in [section 29C.2, subsection 2](#), and the area education agency board may contract for such emergency repairs without advertising for bids. However, before such emergency repairs can be made to an area education agency facility, the state board of education or its

designee must certify that such emergency repairs are necessary to ensure the use of the area education agency facility.

2009 Acts, ch 65, §7

**273.15 Advisory group.** Repealed by 2024 Acts, ch 1170, §368.

For proposed amendment to section by 2024 Acts, ch 1004, §37, see Code editor's note on simple harmonization at the beginning of this Code volume

**273.16 Online learning program.**

1. Subject to an appropriation of funds by the general assembly for this purpose, the area education agencies may offer, separately or in collaboration with other area education agencies, or in partnership with school districts and accredited nonpublic schools, to provide an online learning program to deliver distance education to Iowa's secondary students, including students receiving competent private instruction under [chapter 299A](#).

2. Coursework offered under [this section](#) must meet the requirements established by rule pursuant to [section 256.7, subsection 32](#), paragraph "c".

3. To participate in an online learning program offered by an area education agency, a student must be enrolled in a participating school district or accredited nonpublic school or be receiving private instruction under [chapter 299A](#) as described in [subsection 1](#). The school district or accredited nonpublic school in which the student is enrolled is responsible for recording a student's program coursework grades in the student's permanent record, awarding high school credit for program coursework, and issuing a high school diploma to a student enrolled in the district or school who participates and completes coursework under the program. Each school that participates in the program shall identify a site coordinator to serve as a student advocate and as a liaison between the program staff and teachers and the school district or accredited nonpublic school. The individual providing instruction to a student under [chapter 299A](#) as described in [subsection 1](#) shall receive the student's score for completed program coursework.

4. School districts and accredited nonpublic schools shall pay to area education agencies the cost of providing coursework under an online learning program offered in accordance with [this section](#).

2020 Acts, ch 1107, §8; 2021 Acts, ch 88, §2

Referred to in [§256.11](#)

**273.17 through 273.19** Reserved.

## SUBCHAPTER II

### REORGANIZATION OR DISSOLUTION

**273.20 Definitions.**

When used in [this subchapter](#), unless the context otherwise requires:

1. "Affected area education agency" or "affected agency" means an area education agency whose board of directors is contemplating or engaged in reorganization efforts in accordance with [this subchapter](#).

2. "Affected board" means the board of directors of an area education agency that is contemplating or engaged in reorganization efforts in accordance with [this subchapter](#).

3. "Department" means the department of education.

4. "State board" means the state board of education.

2001 Acts, ch 114, §2

**273.21 Voluntary reorganization.**

1. Two or more area education agencies may voluntarily reorganize under [this subchapter](#) if the area education agencies are contiguous, a majority of the members of each of the affected boards approve the reorganization, and the reorganization plan submitted to the state board pursuant to [subsection 3](#) is approved by the state board.

2. If twenty percent or more of the school districts within an affected area education agency file a petition by December 1 with the affected area education agency board to consider reorganization, the affected board shall consider the request and vote on the petition. If a majority of the affected board members vote to study the reorganization of the affected area education agency, the affected board shall immediately begin the study to consider reorganization effective by July 1 of the next year.

3. The affected boards contemplating a voluntary reorganization shall do the following:

a. Develop detailed studies of the facilities, property, services, staffing necessities, equipment, programs, and other capabilities available in each of the affected area education agencies for the purpose of providing for the reorganization of the area education agencies in order to effect more economical operation and the attainment of higher standards of educational services for the schools.

b. Survey the school districts within the affected area education agencies to determine the districts' current and future programs and services, professional development, and technology needs.

c. Consult with the officials of school districts within the affected area and other citizens and periodically hold public hearings during the development of a plan for reorganization, as well as a public hearing on the final plan to be submitted to the department.

d. Consult with the director of the department of education in the development of surveys and plans. The director of the department of education shall provide assistance and advice to the affected area education agency boards as requested.

e. Develop a reorganization plan that demonstrates improved efficiency and effectiveness of programs to meet accreditation standards, includes a preliminary budget for reorganized areas, documents public comment from the public hearings held pursuant to paragraph "c", and provides for a board of directors, and the number of members that the board shall consist of, in accordance with [section 273.8](#).

f. Set forth the assets and liabilities of the affected area education agencies, which shall become the responsibility of the board of directors of the newly formed area education agency on the effective date of the reorganization.

g. Transmit the completed plan to the state board by July 15. Plans received by the state board after July 15 shall be considered for area education agency reorganization taking effect no sooner than July 1 after the next succeeding fiscal year.

4. The state board shall review the reorganization plan and shall, prior to September 30, either approve the plan as submitted, approve the plan contingent upon compliance with the state board's recommendations, or disapprove the plan. A contingently approved plan shall be resubmitted with modifications to the department not later than October 30. An approved plan shall take effect on July 1 of the fiscal year following the date of approval by the state board.

[2001 Acts, ch 114, §3](#); [2002 Acts, ch 1029, §1, 2, 8](#); [2003 Acts, ch 180, §21 – 23](#)

Referred to in [§273.22](#), [273.23](#)

### **273.22 Contracts of new area education agency.**

1. The terms of employment of the administrator and staff of affected area education agencies for the school year beginning with the effective date of the formation of the new area education agency shall not be affected by the formation of the new area education agency, except in accordance with the provisions of [sections 279.15 through 279.18](#), and [279.24](#), and the authority and responsibility to offer new contracts or to continue, modify, or terminate existing contracts pursuant to [sections 279.12](#), [279.13](#), [279.15 through 279.21](#), [279.23](#), and [279.24](#) for the school year beginning with the effective date of the reorganization shall be transferred from the boards of the existing area education agencies to the board of the new area education agency following approval of the reorganization plan by the state board as provided in [section 273.21, subsection 4](#).

2. a. The collective bargaining agreement of the area education agency with the largest basic enrollment, as defined in [section 257.6](#), for the year prior to the year the reorganization is effective, shall serve as the base agreement in the new area education agency and the employees of the other area education agencies involved in the formation of the new area

education agency shall automatically be accreted to the bargaining unit of that collective bargaining agreement for purposes of negotiating the contracts for the following years without further action by the employment appeal board. If only one collective bargaining agreement is in effect among the area education agencies that are party to the reorganization, that agreement shall serve as the base agreement, and the employees of the other agencies involved in the formation of the new area education agency shall automatically be accreted to the bargaining unit of that collective bargaining agreement for purposes of negotiating the contracts for the following years without further action by the employment appeal board.

b. The board of the newly formed area education agency, using the base agreement as its existing contract, shall bargain with the combined employees of the affected agencies for the school year that begins on the effective date of the reorganization. The bargaining shall be completed by the dates specified in [section 20.17](#) prior to the school year in which the reorganization becomes effective or within one hundred eighty days after the organization of the new board, whichever is later. If a bargaining agreement was already concluded by the board and employees of the affected agency with the contract serving as the base agreement for the school year beginning with the effective date of the reorganization, that agreement shall be void. However, if the base agreement contains multiyear provisions affecting school years subsequent to the effective year of the reorganization, the base agreement shall remain in effect as specified in the agreement.

c. The provisions of the base agreement shall apply to the offering of new contracts or continuation, modification, or termination of existing contracts as provided in [subsection 1](#).

3. The terms of a contract between the board of directors of a school district and the board of directors of an affected area education agency shall be carried out by the school board and the board of directors of the newly formed area education agency except as provided in [this section](#).

4. The board of directors of a school district that is under a contract with an affected area education agency may petition the boards of directors of the affected area education agencies for release from the contract. If the petition receives a majority of the votes cast by the members of the boards of the affected area education agencies, the petition is approved and the contract shall be terminated on the effective date of the area education agency reorganization.

5. Not later than fifteen days after the state board notifies an area education agency of its approval of the area education agency's reorganization plan or dissolution proposal, the area education agency shall notify, by certified mail, the school districts located within the area education agency boundaries, the school districts and area education agencies that are contiguous to its boundaries, and any other school district under contract with the area education agency, of the state board's approval of the plan or proposal, and shall provide the department of education with a copy of any notice sent in accordance with [this subsection](#). A petition to join an area education agency or for release from a contract with an area education agency, in accordance with [subsections 4, 6, and 7](#), shall be filed not later than forty-five days after the state board approves a reorganization plan or dissolution proposal in accordance with [this chapter](#).

6. Within forty-five days of the state board's approval, the board of directors of a school district that is contiguous to a newly reorganized area education agency may petition the board of directors of their current area education agency and the newly reorganized area education agency to join the newly reorganized area education agency. If the initial, or new board if established in time under [section 273.23, subsection 3](#), and the board of the contiguous area education agency approve the petition, the reorganization, including any school district whose petition to join the newly reorganized area education agency has been approved, shall take effect in accordance with the dates established under [section 273.21, subsection 4](#). Both the initial, or new, and the contiguous area education agency boards must act within forty-five days of the deadline, as set forth in [this subsection](#), for the filing of the school district's petition. Within ten days of an area education agency board's action, a school district may appeal to the state board the decision of an area education agency board to deny the school district's petition.

7. Within forty-five days of the state board's approval, the board of directors of a school

district that is within a newly reorganized area education agency and whose school district is contiguous to another area education agency not included in the newly reorganized area education agency may petition the board of directors of the newly reorganized area education agency and the contiguous area education agency to join that area education agency. If the initial, or new board if established in time under [section 273.23, subsection 3](#), and the board of the contiguous area education agency approve the petition, the reorganization, excluding any school district whose petition to join an area education agency contiguous to the newly reorganized area education agency has been approved, shall take effect in accordance with the dates established under [section 273.21, subsection 4](#). Both the initial, or new, and the contiguous area education agency boards must act within forty-five days of the deadline, as set forth in [this subsection](#), for the filing of the school district's petition. Within ten days of an area education agency board's action, a school district may appeal to the state board the decision of an area education agency board to deny the school district's petition.

[2001 Acts, ch 114, §4](#); [2001 Acts, ch 176, §36, 37](#); [2002 Acts, ch 1029, §3, 4, 8](#); [2003 Acts, ch 180, §24 – 26](#); [2004 Acts, ch 1101, §96, 102](#); [2006 Acts, ch 1152, §33](#); [2010 Acts, ch 1061, §96](#); [2024 Acts, ch 1170, §298](#)

Referred to in [§273.23](#)

Subsection 2, paragraph a amended

### **273.23 Initial board.**

1. A petition filed under [section 273.21](#) shall state the number of directors on the initial board which shall be either seven or nine directors. The petition shall specify the number of directors to be retained from each area, and those numbers shall be proportionate to the populations of the agencies. If the proportionate balance of directors among the affected agencies specified in the plan is affected by school districts petitioning to be excluded from the reorganization, or if the proposal specified in the plan does not comply with the requirement for proportionate representation, the state board shall modify the proposal. However, all area education agencies affected shall retain at least one member.

2. Prior to the organization meeting of the board of directors of the newly formed area education agency, the boards of the former area education agencies shall designate directors to be retained as members to serve on the initial board of the newly formed area education agency. A vacancy occurs if an insufficient number of former board members reside within the newly formed area education agency's boundaries or if an insufficient number of former board members are willing to serve on the board of the newly formed area education agency. Vacancies, as defined in [section 277.29](#), in the membership of the newly formed area education agency board shall be filled for the unexpired portion of the term at a director district convention called and conducted in the manner provided in [section 273.8](#) for director district conventions.

3. Not later than January 15 of the calendar year in which the reorganization takes effect, the initial board shall call a director district convention under the provisions of [section 273.8, subsection 3](#), for the purpose of electing a board for the reorganized area education agency. The new board shall have control of the employment of all personnel for the newly formed area education agency for the ensuing school year. Following the organization of the new board, the board shall have authority to establish policy, enter into contracts, and complete such planning and take such action as is essential for the efficient management of the newly formed area education agency.

4. The initial board of the newly formed district shall appoint an acting administrator and an acting board secretary. The appointment of the acting administrator shall not be subject to the continuing contract provisions of [sections 279.20, 279.23, and 279.24](#).

5. The initial board, or new board if established in time under [subsection 3](#), of the newly formed agency shall prepare an annual budget estimating income and expenditures for programs and services as provided in [sections 273.1 through 273.9](#) and [chapter 256B](#) within the limits of funds provided under [section 256B.9](#) and [chapter 257](#). The board shall give notice of a public hearing on the proposed budget by publication in an official county newspaper in each county in the territory of the area education agency in which the principal place of business of a school district that is a part of the area education agency is located.

The notice shall specify the date, which shall not be later than March 1, the time, and the location of the public hearing. The proposed budget as approved by the board shall be submitted to the state board, on forms provided by the department, no later than March 15 for approval. The state board shall review the proposed budget of the newly formed area education agency and shall, before May 1, either grant approval or return the budget without approval with comments of the state board included. An unapproved budget shall be resubmitted to the state board for final approval not later than May 15. The state board shall give final approval only to budgets submitted by area education agencies accredited by the state board or that have been given conditional accreditation by the state board.

6. For the school year beginning on the effective date of an area education agency reorganization as provided in [this subchapter](#), the media services cost per pupil as determined under [section 257.37](#) for all districts in a newly formed area education agency for the budget year shall be the highest amount of media services cost per pupil for any of the affected area education agencies.

7. For the school year beginning on the effective date of an area education agency reorganization as provided in [this subchapter](#), the educational services cost per pupil as determined under [section 257.37](#) for all districts in a newly formed area education agency for the budget year shall be the highest amount of educational services cost per pupil for any of the affected area education agencies.

8. For the school year beginning on the effective date of an area education agency reorganization as provided in [this subchapter](#), the special education support services cost per pupil shall be based upon the combined base year budgets for special education support services of the area education agencies that reorganized to form the newly formed area education agency, divided by the total of the weighted enrollment for special education support services in the reorganized area education agency for the base year plus the supplemental state aid amount per pupil for special education support services for the budget year as calculated in [section 257.8](#).

9. Within one year of the effective date of the reorganization, a newly formed area education agency shall meet the accreditation requirements set forth in [section 273.10](#), and the standards set forth in [section 273.11](#). The newly formed area education agency shall be considered accredited for purposes of budget approval by the state board pursuant to [section 273.3](#). The state board shall inform the newly formed area education agency of the accreditation on-site visit schedule.

10. The special education support cost per pupil, the media cost per pupil, and the educational services cost per pupil for a school district petitioning into an area education agency shall be the special education support cost per pupil, media cost per pupil, and educational services cost per pupil of the area education agency into which it petitions if the petition is approved.

11. Unless the reorganization of an area education agency takes effect less than two years before the taking of the next federal decennial census, a newly formed area education agency shall, within one year of the effective date of the reorganization, redraw the boundary lines of director districts in the area education agency if a petition filed by a school district to join the newly formed area education agency, or for release from the newly formed area education agency, in accordance with [section 273.22](#), [subsections 4, 6, and 7](#), was approved. Until the boundaries are redrawn, the boundaries for the newly formed area education agency shall be as provided in the reorganization plan approved by the state board in accordance with [section 273.21](#).

2001 Acts, ch 114, §5; 2002 Acts, ch 1029, §5 – 8; 2003 Acts, ch 180, §27, 28; 2004 Acts, ch 1101, §97, 102; 2013 Acts, ch 88, §13; 2013 Acts, ch 121, §40, 42

Referred to in §273.8, 273.22

#### **273.24 Commission to dissolve area education agency.**

1. As an alternative to area education agency reorganization prescribed in [this subchapter](#), the board of directors of an area education agency may establish an area education agency dissolution commission to prepare a proposal of dissolution of the area education agency and attachment of all of the area education agency to one or more

contiguous area education agencies and to include in the proposal a division of the assets and liabilities of the dissolving area education agency. If twenty percent or more of the school districts within an area education agency file a petition by March 1 with the area education agency board to consider dissolving, the area education agency board shall consider the request and vote on the petition. If a majority of the board members vote to study dissolving the area education agency, the agency board shall immediately begin a study to consider such action effective by July 1 of the next calendar year, or the area education agency board may establish a dissolution commission.

2. An area education agency dissolution commission established by the board of directors of an area education agency shall consist of a minimum of seven members appointed by the board of directors of the area education agency for a term of office ending either with a report to the board that no proposal can be approved or on the date of the vote on the proposal. Members of the dissolution commission must be board members of school districts within the area served, not more than three of whom may be members of the board of directors of the area education agency. Members shall be appointed from throughout the area served and should represent the various school districts present in the area served.

3. Members of the dissolution commission shall serve without compensation and may be appointed to a subsequent commission. A vacancy on the commission shall be filled in the same manner as the original appointment was made.

4. The board of the area education agency shall certify to the department of education that a commission has been formed, the names and addresses of commission members, and that the commission members represent the various geographic areas and socioeconomic elements present in the school districts that the area serves.

[2001 Acts, ch 114, §6](#)

#### **273.25 Dissolution commission meetings.**

1. The commission shall hold an organizational meeting not more than fifteen days after its appointment and shall elect a chairperson and vice chairperson from its membership. Thereafter the commission may meet as often as deemed necessary upon the call of the chairperson or a majority of the commission members.

2. The commission shall request statements from contiguous area education agencies outlining each agency's willingness to accept attachments of the affected area education agency to the contiguous agencies and what conditions, if any, the contiguous agency recommends. The commission shall meet with boards of contiguous area education agencies and with boards of directors of the affected school districts to the extent possible in drawing up the dissolution proposal.

3. The commission may seek assistance from the department of education.

[2001 Acts, ch 114, §7](#); [2018 Acts, ch 1041, §72](#)

#### **273.26 Dissolution proposal.**

1. Not later than one year following the date of the organizational meeting of the commission, the commission shall send a copy of its dissolution proposal to the affected area education agency board or shall inform the affected area education agency board that it cannot agree upon a dissolution proposal. The commission shall also send a copy of the dissolution proposal by certified mail to the boards of directors of all school districts and other area education agencies affected. If the board of a school district or the board of an area education agency affected by the dissolution proposal objects to the proposal, either board shall send its objections in writing to the commission within ten days following receipt of the dissolution proposal. The commission may consider the objections and may modify the dissolution proposal. If the dissolution proposal is modified, the commission shall notify by certified mail the boards of directors of all area education agencies to which an area of the affected area education agency will be attached and shall notify by certified mail the board of directors of all school districts in the affected area education agencies.

2. If the commission cannot agree upon a dissolution proposal prior to the expiration of its term, the affected area education agency board may appoint a new commission.

[2001 Acts, ch 114, §8](#)

**273.27 Hearing — vote — state board approval.**

1. *a.* Within ten days following the filing of the dissolution proposal with the affected area education agency board, the affected board shall fix a date for a hearing on the proposal which shall not be more than sixty days after the dissolution petition was filed with the affected board. The affected board shall publish notice of the date, time, and location of the hearing at least ten days prior to the date of the hearing by one publication in a newspaper in general circulation in the area. The notice shall include the contents of the dissolution proposal.

*b.* Representatives of school districts in the area served may present evidence and arguments at the hearing. The president of the affected board shall preside at the hearing. The affected board shall review testimony from the hearing and shall adopt or amend and adopt the dissolution proposal.

*c.* The affected board shall notify by certified mail the boards of directors of all school districts in the affected area education agency and the contiguous area education agencies to which the districts of the affected area education agency will be attached and the director of the department of education of the contents of the dissolution proposal adopted by the affected board.

2. Within thirty days of the hearing, the affected board shall call a director district convention in accordance with [section 273.8, subsection 3](#), which shall include the boards of directors in the area served by the area education agencies to which an area of the affected area education agency will be attached under the dissolution proposal, for the purpose of voting on the dissolution proposal.

3. If the dissolution proposal is approved by a majority of all directors voting on the proposal, the proposal shall be forwarded to the state board by November 1. The state board shall review the dissolution plan proposal and shall, prior to January 1, either grant approval for the proposal or return the proposal with recommendations. An unapproved proposal may be resubmitted with modifications to the state board not later than February 1. A proposal shall take effect on July 1 of the fiscal year following the date of approval by the state board.

[2001 Acts, ch 114, §9](#); [2003 Acts, ch 180, §29](#); [2010 Acts, ch 1061, §180](#)