

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 not amended; editorial change applied