

281—98.24 (257,294A) Educational excellence, Phase II. Beginning with the fiscal year 2009-2010, the educational excellence Phase II program is converted from a grants-in-aid categorical funding to a budgetary allocation categorical funding. Phase II of the educational excellence program is for the purpose of improving teacher salaries. A teacher may be employed in both an administrative and a nonadministrative position by a board of directors of a school district, and shall be considered a part-time teacher for the portion of time that the teacher is employed in a nonadministrative position.

98.24(1) *Appropriate use of categorical funding.* Appropriate use of the educational excellence Phase II program funding is limited to additional salary for teachers and the amount required to pay the employers' share of the federal social security and Iowa public employees' retirement system, or a pension and annuity retirement system established under Iowa Code chapter 294, payments on the additional salary. Educational excellence Phase II program funding shall be fully expended in the fiscal year for which it is allocated; however, in the event that a small amount is remaining and it would not be cost-effective to reallocate the remainder to teachers in the fiscal year, the school district or area education agency shall carry forward the remainder and add it to the amount to be allocated to teachers in the subsequent fiscal year.

98.24(2) *Inappropriate uses of categorical funding.* Inappropriate uses of the educational excellence Phase II program funding include any expenditures other than additional salary for teachers and the amount required to pay the employers' share of the federal social security and Iowa public employees' retirement system, or a pension and annuity retirement system established under Iowa Code chapter 294, payments on the additional salary.

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