
FISCAL UPDATE Article

Fiscal Services Division

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Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

REQUIRED REPORT — TRANSPORTATION EQUITY PROGRAM

Required Report. The Department of Education (DE) filed a required report, [Legislative Report Transportation Equity Program](#). Under the provisions of 2019 Iowa Acts, chapter 2, the DE was required to file a report by December 1, 2020, and every five years thereafter, examining the [Transportation Equity Program](#)'s payments' efficacy and any recommendations for change.

The report also explains the calculation of transportation costs per pupil and distribution of aid to school districts, including a breakdown of top recipients by total amount awarded and top recipients by awarded amount per pupil.

Program Efficacy. Based on the DE's analysis, the Program is meeting the purposes in statute.

Recommendations. The DE provided the following recommendations to the Program:

- Consider when calculating the statewide adjusted average transportation cost per pupil if the amount should include expenditures from all funds, or only general fund sources. The current practice is to include expenditures from all funds. FY 2019 transportation expenditures included 91.8% from districts' general funds, and 8.9% from non-general funds.
- Consider how to best account for special education-related expenditures. Under current practice, it is possible a district may be awarded additional funds and/or spending authority for the same expenditure due to funding under additional weighting in Iowa Code section [256B.9](#) and requests for modified supplemental amounts (MSAs) awarded by the School Board Review Committee (SBRC).
- Consider aligning the next Transportation Equity Program report (due Dec. 1, 2025) with the next [School Finance Formula Review Committee](#), which may occur in 2024.

District level data is available in the appendixes of the report.

LSA Staff Contact: Michael Guanci (515.725.1286) michael.guanci@legis.iowa.gov

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