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## FISCAL UPDATE Article

Fiscal Services Division

April 14, 2026



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### IOWA STATE BOARD OF EDUCATION MEETING — MARCH 2026

**Meeting.** The Iowa State Board of Education (Board) met on Friday, March 13, 2026, in the State Board Room at the Grimes State Office Building in Des Moines.

**Director's Report.** Director McKenzie Snow provided the following updates on Department of Education (DE) news and activities since the last meeting:

- The week of March 9 through 13 was National Civic Learning Week. As part of the [Iowa America 250 Professional Learning Webinar](#), the DE partnered with the Cato Institute to create "[The Intersection of Civil Discourse and the American Founding](#)," which is available online as a recording.
- The seven finalists for the Golden Owl award were announced.
- Registration for the eighth round of Language Essentials for Teachers of Reading and Spelling ([LETRS](#)) professional development is now open at no cost to schools or educators.
- A new statewide investment in professional development is underway to support educators and English language learners (ELL). The professional development will be of no cost to schools or educators over the next four years. The first recipients of the professional development program will be the Des Moines and Cedar Rapids school districts.
- The Bureau of Community Colleges released the [Tuition and Fees Report](#) for FY 2026, which includes details regarding concurrent enrollment tuition.
- A block grant for federal and state-level Elementary and Secondary Education Act (ESEA) funds as part of the [Unified Allocation Plan](#) will be used for evidence-based literacy programming.
- The application for the sixth round of therapeutic classroom incentive grants is now open until May 1. Last year, the DE awarded approximately \$2.0 million to eight school districts.
- The application for the new Health Care Professional Incentive Program closes March 31. If awarded, funds may be received as an income bonus or go toward federal student loan repayment.
- Four [Career Academy Incentive Fund](#) awards were given to the following community colleges:
  - Northwest Iowa Community College received \$1.0 million.
  - North Iowa Area Community College received \$1.0 million.
  - Eastern Iowa Community College received \$1.0 million.
  - Des Moines Area Community College received \$776,000.

**Budget Report Template Changes.** The budget report template used by the Area Education Agencies (AEA) underwent changes for clarity. The following changes were made:

- Board members and representation were identified.
- Charter schools and nonpublic schools were added to those served.
- Changes to the expenditures section include the tables, definition of capital assets, additional information regarding educational and media services programming, and an added variance line.
- A historical look into General Fund allocations and expenditures was added.

**AEA Budgets.** All nine of the AEA budgets were submitted for approval by February 27. After an initial review, the AEAs received feedback and resubmitted their budgets by March 4. Of the nine, two were approved by Director Snow and the remaining seven were sent back for further revision. Once resubmitted, all nine budgets were approved by Director Snow by March 9.

All AEAs must budget to sustain a 30.0% reduction in administrative costs. The reduction must be met by the end of FY 2026 pursuant to requirements outlined in 2024 Iowa Acts, [House File 2612](#) (Area Education Agencies Act).

At the Board meeting, each AEA presented highlights and changes in its budget. Their notes included the following:

- [Great Prairie AEA](#) serves 32 districts in its area, one district outside of the area, and accredited nonpublic schools. The AEA mainly provides geographical, special education, and library service support.
  - In FY 2024, the AEA had 12 administrators on staff, with 7 providing special education support. For FY 2026, the AEA has two administrators providing special education support.
  - An increase of \$25,000 was requested due to the increasing premium costs for professional liability and admissions insurance and administrative costs.
  - A \$260,000 decrease will be taken from the AEA's media services to minimize costs.
  - Starting July 1, 2026, Chief Administrator for Great Prairie AEA, Nathan Wood, will be a part-time superintendent for Sigourney Community School District. He will be providing more support for special education and will maintain his role with the AEA.
- [Grant Wood AEA](#) serves 32 school districts, four charter schools, and 35 accredited nonpublic schools.
  - The AEA has had an increase in special education staff and a decrease in administrative, educational, and media services.
  - Earlier in FY 2026, the AEA was approved for a new delivery van purchase. Depending on need, it may apply for another.
  - The AEA is looking to sell the building adjacent to its main facility.
  - The AEA is requesting a 7.0% budget increase for salaries, property liability insurance, and software costs.
- [Heartland AEA](#) serves 53 school districts, with an additional 4 out of area. The AEA also serves four charter schools and 56 accredited nonpublic schools.
  - The AEA utilized \$3.0 million from media and educational service dollars to support special education.
  - The AEA needs two more delivery vans to meet needs.
- [Prairie Lakes AEA](#) serves 31 school districts, one charter school, and 13 accredited nonpublic schools.
  - There are 13.0 full-time equivalent (FTE) positions that need to be filled.
  - The AEA exceeded the 30.0% administrative reduction, achieving 43.0% with plans to maintain a 41.0% reduction. To achieve the reduction, the AEA eliminated 3.0 FTE positions in central administrative support. The AEA currently partners with the Northwest AEA for printing and media agency housing.
- [Green Hills AEA](#) serves 43 school districts, two charter schools, and eight nonpublic schools and partners with community organizations and higher education institutions.
  - The AEA provides therapeutic classroom services to schools in its area through its [Rising Hope Academy](#).
  - The AEA proposes an increase of 11.9 FTE positions from previous fiscal years, with 8.3 special education support FTE positions and a reduction in educational services and administrative services.
- [Northwest AEA](#) serves 35 school districts and 34 accredited nonpublic schools. The AEA will experience a 45.3% decrease in administrative staff FTE positions by the end of FY 2026 due to resignations and retirements. The roles that will no longer exist include but are not limited to the following:

- Executive Director of Special Education.
- Executive Director of Educational Services, Media, and Technology.
- Director of Instructional Coaching.
- [Mississippi Bend AEA](#) serves 21 school districts, three charter schools, and 20 accredited nonpublic schools.
  - The AEA projects a net increase of 22.26 FTE positions in its Special Education staff for FY 2027.
  - Total administrative expenditures have been reduced by 46.7% from FY 2024 through FY 2026.
  - The AEA's Center of Excellence for Leadership for Closing the Achievement Gap for Learners with Disabilities will launch on July 1, 2026.
- [Central Rivers AEA](#) serves 53 school districts, two charter schools, and 29 accredited nonpublic schools.
  - The AEA is budgeting for an increase of 10.0 FTE positions for FY 2027 in addition to replacing staff retiring or resigning from the previous fiscal year.
  - Administrative expenditures are projected to increase by 2.2% due to the transition of shared leadership roles to full-time positions.
- [Keystone AEA](#) serves 21 school districts, one charter school, and 27 accredited nonpublic schools.
  - In FY 2026, sharing agreements were in place for the chief administrator, special education administrator, educational services administrator, and part of the media director. In FY 2027, the positions will no longer be shared.
  - The AEA is on track to meet the statutory 30.0% expenditure reduction.

**Southeastern Community College Interim Accreditation Report.** The DE conducted a scheduled [state interim accreditation evaluation](#) of Southeastern Community College (SCC), as mandated by Iowa Code section [260C.47](#). This included a desk review of written materials submitted by the college, review of annual outcomes data, and on-site assurance interviews. The college was found to be out of compliance with the required career and technical education (CTE) program review process, outlined in 281 IAC [46](#). The root cause was a lack of proper documentation, which was rectified. The DE Community College Accreditation Team recommended continued accreditation for SCC. The Board approved the accreditation through academic year 2029-2030.

**Distinctive Innovation Academy Contract Amendment Request.** The Distinctive Innovation Academy requested an [amendment](#) to its contract to postpone the school opening to the 2027-2028 school year instead of the 2026-2027 school year. Multiple sections of the contract refer to a fall 2026 opening and will need to be updated. The charter school is requesting the postponement to acquire and renovate a school site. The Charter School Governing Board approved the amendment. The Board approved the amendment request.

**Great Oaks High School and Career Center Contract Amendment Request.** The Great Oaks High School and Career Center requested an [amendment](#) to its contract to postpone the Des Moines — South Campus school opening to the 2027-2028 school year instead of the 2026-2027 school year. Multiple sections of the contract refer to a fall 2026 opening and will need to be updated. This is due to expansion efforts requiring more time and ensuring facility modifications are fully compliant. With the modified timeline, Great Oaks will shift their focus to the Davenport campus. The Board approved the amendment request.

**Opportunity Education Network — Davenport Prep Contract Termination Request.** The Opportunity Education Network (OEN) — Davenport Prep charter school requested to [terminate](#) its contract in its entirety. It will not open for the 2026-2027 school year as initially planned. The charter school network will focus on its Des Moines and Cedar Rapids preparatory schools to ensure their sustainability. Newly anticipated costs cannot be supported within the current funding structure. The amendment was approved by the Charter School Governing Board. The Board approved the amendment request.

**Secondary Career and Technical Education Impact Report.** Cale Hutchings, Bureau Chief of CTE and Postsecondary Readiness, presented the [Secondary CTE Impact Report](#). It contains statewide

priorities, contains participation outcomes for academic year 2024-2025, and includes enrollment trends and performance across key measures.

**Next Meetings.** The next Board meeting is a retreat scheduled for April 16 and 17, 2026. The Iowa College Student Aid Commission meeting is scheduled for May 8, 2026.

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Doc ID 1603411