

## UEN Comments on Funding Adequacy and Timing of Funding Decision Dec. 15, 2014

**Iowa's goal: a funding formula that produces a world class education for every Iowa student.**

- **Funding Equality:** just a mention – as property values per pupil vary 9:1, district cost per pupil gap is \$175, lack of ISL state match produces huge variance in support, adequacy challenges force program and staffing reductions, student populations become more challenging (poverty, mental health, non-English speaking) and expectations increase, equity of outcomes will continue to be illusive. See prior UEN comments for more about that.
- **Funding Adequacy:** General funding inadequacy and unpredictability lead to financial distress and inability to produce expected student achievement gains. Due to increased expectations or societal changes, Iowa funding streams are no longer sufficient to promote achievement. Some indicators:
  - Iowa ranks 25<sup>th</sup> in the nation in average teacher salaries, a worthy goal set in the 2001 Student Achievement and Teacher Quality act, but ranks 37<sup>th</sup> in total expenditures per student, \$1,657 below the national average. Assuming full implementation of the TLC grants would lower the gap to \$1,346 per pupil, *if Iowa keeps up with the rest of the nation in other aspects of school funding.*
  - Comparative rankings of Iowa and the rest of the nation provide an inescapable conclusion that Iowa expenditure rankings (controlling for cost of living) and student achievement (evidenced by NAEP rankings) are related. Despite the fact that Iowa schools today are outperforming Iowa schools in the 1990s, with a more challenging student population, other states are investing more and getting results.
  - Funding adequacy is critical to school districts, but overall may be addressed with a combination of efforts to direct funds to certain needs and by proceeding cautiously with additional property tax relief paid by state resources otherwise available to fund schools.) Additional efforts at property tax relief should be at least revenue neutral to the state, targeted at equity and resist lowering the property tax base in general, or the state General Fund will not be sufficient to support the formula, absent an effort to increase state revenues or reduce non-education expenditures.
- **Timing of Cost Per Pupil Decision:** Schools need time to budget, bargain, staff, and plan in a very complex system, for improved opportunities for students. When the Legislature follows the law and sets the cost per pupil in the year prior to the budget year, budget (and staffing planning) begins in the November – January time period. Principals request building budgets, plan staffing and course offering schedules, prepare for student-requested schedules, and analyze pending retirement and staff transition plans. The March 3, 2014 Education Funding Fact of the Week, by the Public Education Coalition, "[\*It's All About Timing\*](#)," includes a detailed list of the deadlines schools must follow (page 2 attached).

and deadlines to which schools must adhere and upon which sound planning principles depend:

Deadline or Activity	Date	Notes
Pink Slips Issued	April 30	Notice to teachers whose contracts may not be renewed
Budget Certification	April 15	
Board Meeting to Approve Budget	April 8	Typically second Monday or Tuesday of the month (this year, second Tuesday is April 8)
Teachers Return Contracts	April 5	21 days after receipt of contract
Retirement Incentives	April 1	Deadline for teachers to submit intent to participate
Notice for Public Hearing to Approve Budget	March 19-29	10-20 day publication requirement in newspaper of general circulation in the district
Offer contracts to teachers	March 15	Earliest day to offer
Notice to Newspaper for Public Hearing	March 13	For weekly newspaper, 6 days' notice may be needed to meet above publishing deadline
Notice to Teachers of Early Retirement Program	Feb 15	Federal law requires 45 days' notice to employees of retirement incentive
HF 2194 proposal to permanently delay school funding decision	Feb 14	30 day deadline to enact state cost per pupil following release of governor's budget prior to the start of the budget year during odd numbered year Session.
Students select high school courses	Jan-Mar	Timelines vary, but especially in larger districts, students make course selections to inform staffing decisions
Aid and Levy worksheet software available	Jan 31	Department of Management distributes software so school districts prepare budgets and analyze tax rates. Instructions to fill out budget to certify are 12 pages long
Bargaining Impasse procedure deadline	Jan 31	Impasse begins no later than 120 days prior to May 31 (unless both parties agree to delay).
Attendance Center Budgets	Nov – Jan	Principals request building budgets, plan staffing requirements and develop high school class schedules
Budget Planning	November-January	Districts determine cost increases, program requirements and cuts based on resources available
Property Valuations	December	Valuations ready for planning property tax rate changes
Certified Enrollment	Oct 15	Counts are submitted to DE to determine the number of students to which the cost per pupil is multiplied to determine budget

**Sources:** Iowa Code Chapter 20 and Chapter 279, Iowa Department of Management School Budget Instructions FY 2015

<http://www.dom.state.ia.us/local/schools/files/FY15/SchoolBudgetInstructionsFY15.pdf>.

*Brought to you by the joint efforts of Iowa Association of School Boards, School Administrators of Iowa, Iowa Area Education Agencies, Iowa State Education Association, and the Urban Education Network of Iowa in support of adequate and timely school funding.*

forward to a friend

