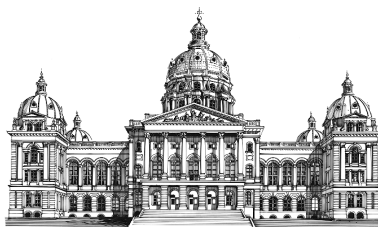

Iowa Legislative Fiscal Bureau

Dennis Prouty
(515) 281-5279
FAX 281-8451



State Capitol
Des Moines, IA 50319
July 25, 2000

School Infrastructure Program

ISSUE

Implementation of the School Infrastructure Program established by the 78th General Assembly.

AFFECTED AGENCIES

Department of Education
Local school districts

CODE AUTHORITY

Chapter 292, Code of Iowa
Chapter 12.82, Code of Iowa

BACKGROUND

The School Infrastructure Program was enacted by the General Assembly during the 2000 Legislative Session and became effective July 1, 2000 (FY 2001). The purpose of the Program is to provide financial assistance grants to school districts to improve school infrastructure. The law authorizes the Treasurer of State to issue bonds for purposes of the Program. The FY 2001 Infrastructure Appropriations Act deposits \$5.0 million from gambling revenues into the School Infrastructure Fund, after the first \$75.0 million in gambling revenues are deposited into the General Fund and the Vision Iowa Fund.

The Department of Education administers the Program, with assistance from the School Budget Review Committee and from a task force of individuals knowledgeable in school infrastructure and construction issues. **Attachment A** provides the list of task force members.

Award Criteria and Eligibility

The Department and the task force are responsible for establishing detailed criteria for awarding grants. The criteria must be based upon provisions in the law, which gives priority to school districts meeting any of the following conditions:

- Lower “capacity per pupil,” defined as the sum of the district’s property tax capacity per pupil and sales tax capacity per pupil.
- Infrastructure plans that address specific occupant safety issues.
- District reorganization on or after July 1, 2000, or a plan to reorganize by July 1, 2004.
- No imposition of a local option sales and services tax for school infrastructure.
- Receipt of minimal revenue from a local option sales and services tax for school infrastructure.

Districts receiving local option sales and services tax revenues exceeding the state average per pupil are ineligible for assistance under the Program. Districts receiving assistance from the Vision Iowa Program are also ineligible.

The task force will initially review applications and rank them using a point system described in the Department’s proposed administrative rules (**Attachment B**). The task force will make its recommendations to the School Budget Review Committee. The School Budget Review Committee will then make its recommendations to the Department, which has final authority to award grants.

Individual Awards

Individual awards cannot exceed the lesser of \$1.0 million or the total project cost less a local match requirement of at least 20.0% of the total project cost. A district cannot be required to provide a local match exceeding 50.0% of the total project cost.

The local match percentage is determined by dividing the district’s capacity per pupil by the capacity per pupil of the district at the 40th percentile in the State, then multiplying the result by 50.0%.

Total Program Funding

The Program will award a total of \$50.0 million to school infrastructure projects over a three-year period, with \$10.0 million available in FY 2001 and \$20.0 million each year in FY 2002 and FY 2003. Any funds unawarded at the end of a fiscal year will carry forward to be awarded in the next annual award cycle.

To ensure equity between districts of varying size, the law requires that the Program’s total funding be allocated as follows:

- 25.0% to districts with enrollment of 1,199 students or less;
- 25.0% to districts with enrollment between 1,200 and 4,750 students;
- 25.0% to districts with enrollment exceeding 4,750 students;
- 25.0% to districts of any size enrollment.

Any funds carried forward from previous years can be awarded without regard to size of enrollment.

CURRENT SITUATION

The Department of Education has appointed a task force of education, construction, and facility management professionals, which has been meeting throughout the summer. The task force has

considered the award criteria and developed a point system to use in ranking applications. It has also assisted the Department in developing proposed administrative rules and application materials.

Application forms will be available to districts beginning in October 2000. The property tax and sales tax capacity measures, to be used in determining local match requirements, will be calculated based upon official September enrollments. Capacity measures will be recalculated prior to each award cycle.

The Department and task force have established the following schedule for each of the three award cycles:

	FY 2001	FY 2002 FY 2003
Capacity measures available	January 1	July 1
Application period	Nov. 1 - March 1	July 1- Oct. 15
Notifications to award recipients	May 1	December 15

The Department and the Treasurer of State's office will work together to plan for the issuance of bonds to finance the awards.

BUDGET IMPACT

Based on the assumption of \$5.0 million in gambling revenue each year for 20 years to pay debt service on bonds, current estimates are that \$66.9 million could be made available for projects. This assumes a certain amount of interest earned on bond proceeds. Total interest paid on the bonds over the 20 years is estimated at \$44.4 million. However, the legislation limits total project awards to \$50.0 million. The Department's intent at this time is to issue bonds in an amount necessary to raise \$50.0 million.

STAFF CONTACT: Robin Madison (Ext. 15270)

VISION 2000 INFRASTRUCTURE TASK FORCE MEMBERS
--

Department of Education staff:

Milt Wilson
Lee Tack
Su McCurdy

Ann McCarthy
Jim Tyson
Mary Beth Schroder-Fracek

Iowa Association of School Boards

Larry Sigel or Margaret Buckton, alt.
Iowa Association of School Boards
700 Second Avenue
Des Moines, IA 50309-1731

Phone (515) 288-1991
Fax (515) 288-4992
E-mail lsigel@ia-sb.org

School Administrators of Iowa

Marcus Haack
Regency West 5, Suite 140
4700 Westown Parkway
P O Box 65578
West Des Moines, IA 50265-0578

Phone (515) 224-3373
Fax (515) 224-3372
E-mail marcus@netins.net

Iowa Association of School Business Officials

Norman Pogemiller, Executive Director or Jim Langstraat
P O Box 65578
West Des Moines, IA 50265-0578

E-mail nmpiasbo@sa-iowa.org

Iowa State Education Association

Gary Meyer
Iowa State Education Association
777 Third Street
Des Moines, IA 50309

Phone (515) 471-8000
Fax (515) 471-8017
E-mail GMeyer@nea.org

Master Builders of Iowa (Rebuild Iowa coalition)

Jim Obradovich,
Master Builders of Iowa
221 Park Street
P.O.Box 659
Des Moines, IA 50309-0695

Phone (515)288-8904
Fax 2578 fax 515-288-2617
E-mail kkeller@mbiowa.org

Superintendents - 3

Small District

Mr. Bob Longmuir, Superintendent
New Hampton CS D
710 West Main Street
New Hampton, IA 50659

Phone (515) 394-2134
Fax (515) 394-2921
E-mail R_Longmuir@New-Hampton.k12.ia.us

Medium District

David Haggard, Superintendent
Fort Dodge Community Schools
104 S. 17th Street
Fort Dodge, IA 50501

Phone (515) 576-1161
Fax (515) 576-1988
E-mail dhaggard@fort-dodge.k12.ia.us

Large District

Tom Stokes, Executive Director
Dept. of Management Services
Des Moines Independent Comm SD
1915 Prospect Road
Des Moines, IA 50310-6295

Phone (515) 242-7724
Fax (515) 242-7658
E-mail thomas.stokes@dmps.k12.ia.us

Business Managers -2

Mr. Kirk Naber, Board Secretary
Ankeny Community School District
306 S.W. School Street
P.O. Box 189
Ankeny, IA 50021

Phone (515) 965-9600
Fax (515) 965-9607
E-mail kirk@ankeny.k12.ia.us

Steve Graham, Business Manager
Cedar Rapids Community Schools
346 2nd Ave
Cedar Rapids, IA 52404 NW

Phone (319) 398-2103
Fax (319) 398-2074
E-mail sgraham@esc.cr.k12.ia.us

State Fire Marshal

Jen Worthington, Asst. Fire Marshal
Deena Logsdon
Iowa Department of Public Safety
621 East 2nd Street
Des Moines, IA 50309-1831

Phone (515) 281-5821
Fax (515) 242-6299
E-mail jen.worthington@dps.state.ia.us
E-mail deena.logsdon@dps.state.ia.us

AEA Facilities Managers (3)

Bill Schutz, Facilities Manager
Northern Trails AEA
P O Box M
Clear Lake, IA 50428

Phone (515) 357-6125
Fax (515) 357-3201
E-Mail bschutz@aea2.k12.ia.us

Denese Zimmer, Supervisor
Environmental Services
Mississippi Bend AEA
729 21st Street
Bettendorf, IA 52722

Phone (319) 344-6320
Fax (319) 359-5967
E-Mail dzimmer@po-1.aea9.k12.ia.us

Joe Hansen, Facilities Specialist
Heartland AEA
6500 Corporate Drive
Johnston, IA 50131

Phone (515) 270-0405 X4423
Fax (515) 270-5383
E-mail jhansen@aea11.k12.ia.us

Employers Mutual (Environmental Health Mgr.)

Denny Lamport, IH
Environmental Health Manager
Employers Mutual Company
717 Mulberry
Des Moines, IA 50309

Phone (515) 280-2728
Fax (515) 237-2220
E-mail Dennis.R.Lamport@EMCIns.com

School District Facility Managers

David A. Colton, Director of Facilities
Muscatine Community School District
1403 Park Avenue
Muscatine, IA 52761

Phone (319) 263-7223
Fax (319) 263-7729

Bob White
Dubuque Community School District
2300 Chaney
Dubuque, IA 52001

Phone (319) 588-5270
Fax (319) 588-8439
E-mail rwhite@dubuque.k12.ia.us

Neal Evans, Supervisor of Facilities
Council Bluffs Community School District
801 South 16th Street
Council Bluffs, IA 51501

Phone (712)-328-6406
Fax (712)-328-6409
E-mail nevans5@altavista.com

EDUCATION DEPARTMENT [281]

Notice of Intended Action

Pursuant to the authority of Iowa Code sections 256.7(5), the State Board of Education hereby gives Notice of Intended Action to propose a new Chapter 100, "Vision Iowa School Infrastructure Program," Iowa Administrative Code.

These rules establish the procedures for school districts to apply for the Vision Iowa School Infrastructure Program grants and the criteria that will be used to select awardees. These rules establish a uniform format for applications, dates certain, and ensure to the extent possible an unbiased selection of awardees.

Any interested person may comment on the proposed rules on or before September 12, 2000, by addressing them to C. Milton Wilson, Consultant, School Facilities, Department of Education, Grimes State Office Building, Des Moines, Iowa 50319-0146; milt.wilson@ed.state.ia.us; fax (515)281-7700.

There will be a public hearing held over the ICN on September 12, 2000, beginning at 12:00 p.m. at which persons may present their comments orally. Sites will be available in each AEA and in the ICN room, second floor, Grimes State Office Building, Des Moines, Iowa. There will be a second public hearing on September 12, 2000, beginning at 2:00 p.m. in the State Board Room, Second Floor, Grimes State Office Building, Des Moines, Iowa, at which persons may present their comments orally and in writing. At the hearings, persons will be asked to give their names and addresses for the record and to confine their remarks to the subject of the proposed rules. Any persons who intend to attend a public hearing and have special requirements such as hearing or mobility

impairments should contact the Department of Education and advise of the specific needs prior to August 28, 2000.

These rules are intended to implement Iowa Code sections 292.1 through 292.4 as enacted by 2000 Iowa Acts, Senate File 2447.

The following rules are proposed:

CHAPTER 100

VISION IOWA SCHOOL INFRASTRUCTURE PROGRAM

281—100.1(78GA, SF2447) Purpose. The purpose of the vision Iowa school infrastructure program is to provide financing assistance in the form of competitive grants to Iowa school districts with school infrastructure needs.

281—100.2(78GA, SF2447) Definitions. For the purpose of this chapter, the following definitions apply.

“Capacity per pupil” means the sum of a school district’s property tax infrastructure capacity per pupil and the sales tax capacity per pupil.

“Conditional approval” means awarding of a grant contingent upon the school district obtaining its local match if the local match has not been obtained at the time of the application.

“Department” means the department of education.

“Initiated” means that the board has taken formal action by board resolution on or after July 1, 2000 to submit a referendum to the voters, to use accumulated funds, or to pursue other funding sources for the project that is the subject of the application.

“Innovative collaboration” means an activity jointly undertaken by the school district with one or more public or private entities which is new to the school district and which has been implemented by no other or few other school districts.

“Local match percentage” means a percentage equivalent to either of the following, whichever is less:

- a. Fifty percent.

b. The quotient of a school district's capacity per pupil divided by the capacity per pupil of the school district at the fortieth percentile, multiplied by fifty percent, except that the percentage in this paragraph shall not be less than twenty percent. The school district with the lowest capacity per pupil in the state shall be the school district with the lowest percentile rank.

"Local match requirement" means the total investment of a project multiplied by the school district's local match percentage. The source of the local match must be one or more of the following:

- a. The issuance of bonds pursuant to Iowa Code section 298.18.
- b. Local option sales and services tax for school infrastructure received pursuant to Iowa Code section 422E.3.
- c. A physical plant and equipment levy pursuant to Iowa Code chapter 298.
- d. Other moneys locally obtained by the school district for school infrastructure excluding other state or federal moneys.

"Program" means the school infrastructure program established in Iowa Code section 292.2.

"Project" means a school infrastructure activity of one school district, or the school district's portion of a school infrastructure activity in collaboration with one or more other public or private entities, that is one of the following:

- a. Constructing a separate facility for an attendance center.
- b. A grouping of school infrastructure activities at one or more attendance centers.

"Property tax infrastructure capacity per pupil" means the sum of a school district's levies under Iowa Code sections 298.2 and 298.18 when the levies are imposed to the

maximum extent allowable under law in the budget year divided by the school district's basic enrollment for the budget year.

“Sales tax capacity per pupil” means the estimated amount of revenues that a school district receives or would receive if a local option sales and services tax for school infrastructure is imposed at one percent pursuant to Iowa Code section 422E.2, divided by the school district's basic enrollment for the budget year. For the budget year beginning July 1, 2000, the school district's actual enrollment shall be used in the calculation in place of the school district's basic enrollment for the budget year.

“School budget review committee” means the committee established under Iowa Code section 257.30.

“School infrastructure” means one or more of the following activities initiated on or after July 1, 2000: purchasing, building, furnishing, reconstructing, repairing, improving or remodeling a schoolhouse or schoolhouses and additions to schoolhouses, gymnasium, field house, procuring a site or sites therefor, or purchasing land to add to a site already owned. “School infrastructure” does not include those activities related to stadiums, bus barns, a home or homes of a teacher or superintendent, procuring and improving a site for an athletic field, or improving a site already owned for an athletic field.

“Statewide average sales and services tax capacity per pupil” means the estimated sum of revenues that all school districts receive or would receive if a local option sales and services tax for school infrastructure is imposed at one percent pursuant to Iowa Code section 422E.2, divided by the sum of the basic enrollments in all school districts for the budget year. For the budget year beginning July 1, 2000, the actual enrollment in all

school districts shall be used in the calculation in place of the basic enrollment in all school districts for the budget year.

281—100.3(78GA, SF2447) Application process.

100.3(1) Application period. School districts may submit applications for approval for financial assistance under the program between 8:00 a.m. and 4:30 p.m. on workdays during the following application periods.

a. For the fiscal year beginning July 1, 2000, applications may be submitted to the department on or after November 1, 2000 and hand-delivered or postmarked not later than March 1, 2001.

b. For the fiscal year beginning July 1, 2001, and every fiscal year thereafter that funding is appropriated, applications may be submitted to the department on or after July 1 and hand-delivered or postmarked not later than October 31.

100.3(2) Application form. The department shall provide an application form. The application form shall be made available to Iowa public school districts at least 15 days prior to the beginning of the application period. Each applicant school district shall use the forms prepared for this purpose and in the manner prescribed by the department. A school district may submit only one application during an application period. The application form shall include, but shall not be limited to, the following information:

a. The total capital investment of the project. If the project is in collaboration with other public or private entities, the total capital investment for purposes of this program shall be limited to the school district's portion of the project. The school district shall include the following information:

(1) Identification of the collaborating public or private entities.

(2) Total cost of the collaborative project.

(3) Total capital investment of the school district's portion of the project.

b. The amount, source, and percentage of money that the school district will be providing for the project, which shall not include any other state or federal funding. Only funds in the physical plant and equipment levy fund or capital project funds can be used toward the local match requirement. If the project is in collaboration with other public or private entities, the state, federal, or private funds received by the other entities cannot be used toward the local match requirement.

c. The infrastructure needs of the school district specific to the project, especially the fire and health safety needs, and including the extent to which the project would allow the school district to meet its infrastructure needs on a long-term basis. If the school district's needs include fire and health safety needs, it shall attach to its application form a copy of the citation by the fire marshal for the safety deficiency or evidence of consultation with the fire marshal related to the safety deficiency.

d. The financial assistance needed by the school district based upon the capacity per pupil. The capacity per pupil for each school district will be calculated by the department and this information made available to the applicants.

e. Any previous efforts within the past five years, successful or unsuccessful, by the school district to secure infrastructure funding from federal, state, and local resources. If the previous effort includes a bond issue or a voter-approved physical plant and equipment levy, the school district shall include a copy of the ballot with the application. If the previous effort includes a regular physical plant and equipment levy, the school district shall include a statement to that effect.

f. Evidence that the school district meets or will meet the local match requirement.

The local match requirement for each school district will be calculated by the department and this information made available to the applicants. The local match requirement shall be met not later than nine months from the date of notification of conditional approval from the department. The local match for any other grant program shall not be the same money used as the local match for this grant program.

g. A description of the nature of the project and its relationship to improving educational opportunities for students including the school district's ability to meet or exceed the educational standards and a list of waivers applied for and granted to the school district.

h. Evidence that the school district receives local option sales and services tax for school infrastructure under Iowa Code chapter 422E or local option sales and services tax under Iowa Code chapter 422B.

i. If the school district currently has bonded indebtedness, the voter-approved physical plant and equipment levy, or the local option sales and services tax for school infrastructure, the school district shall include a statement identifying the final year of the bonded indebtedness or the final year of the levy or tax. The school district shall describe its expenditures from any bond issue, voter-approved physical plant and equipment levy, regular plant and equipment levy, or local option sales and services tax for school infrastructure which it has in place at the time of the application and list any obligations against those current balances and future revenues.

j. The school district shall attach a comprehensive, district-wide infrastructure plan if the school district has an infrastructure plan. The school district shall include the date

that the plan was adopted by the board, an executive summary of the plan, and a description of how the project fits within the infrastructure plan.

k. The school district shall attach a five-year history of infrastructure maintenance and repair.

l. A budget and time line for the project. If the local match requirement has not been met at the time of the application, the school district shall include in the time line a schedule of the steps in its plan to obtain the local match.

m. Evidence that the school district has reorganized pursuant to Iowa Code chapter 275 on or after July 1, 2000, or that the school district has initiated a resolution to reorganize by July 1, 2004, or has entered into an innovative collaboration with another school district or school districts.

n. A statement certifying the accuracy of the information contained in the application.

100.3(3) Board minutes. A school district that is submitting an application for financial assistance under the program shall submit with its application a copy of the minutes of the board of director's meeting showing that the board has authorized the application and the project and has made a commitment to the source and amount for the local match. The section of the board minutes containing this information shall be marked in such a way as to make it easily identifiable.

100.3(4) Number of copies. A school district that is submitting an application for financial assistance under the program shall submit three complete sets of the application forms and board minutes with original signatures on the application forms.

100.3(5) Number of grant awards possible. A school district shall not receive more than one grant under the program.

100.3(6) Reapplication. An applicant that is not successful in obtaining financial assistance under the program may apply for financial assistance under the program in succeeding fiscal years.

100.3(7) Maximum request for financial assistance. The maximum amount of financial assistance under the program that can be requested by a school district is the lessor of:

- a. One million dollars, or
- b. The total capital investment of the project minus the local match requirement.

100.3(8) Project time line. The project shall be completed not later than three fiscal years from the date on which the grant is approved.

100.3(9) Project restrictions. Special restrictions apply to certain projects.

a. If the project is in collaboration with other public or private entities, the school district shall be eligible to apply for only the school district's portion of the project. The school district must own or retain ownership of the infrastructure for which the application is submitted. This does not preclude shared facility use. State, federal, or private funds received by the other entities cannot be used toward the local match requirement. The application for one school district shall not be contingent upon one or more other school districts receiving an award under this program.

b. A school district may submit an application for a project that included activities at more than one attendance center. However, if the activities are related to new construction, the project shall only relate to one attendance center. New construction for purposes of this subrule means a separate, new attendance center.

c. A school district receiving financial assistance under the vision Iowa program pursuant to a joint application submitted under Iowa Code section 15F.302, subsection 3, shall not be eligible to receive financial assistance under the program.

d. A school district that has a local option sales and services tax for school infrastructure imposed at the maximum rate and has local option sales and services tax for school infrastructure revenue per pupil of more than the statewide average of local option sales and services tax capacity per pupil shall not be eligible for financial assistance under the program.

e. All projects must be consistent with the provisions of the Americans with Disabilities Act and the Rehabilitation Act of 1973, Section 504, and Iowa Code chapter 104A.

281—100.4(78GA, SF2447) Review process.

100.4(1) Task force. The department shall form a task force to review applications for financial assistance and to provide recommendations to the school budget review committee. The department shall invite participants from large, medium, and small school districts, the state fire marshal's office, education and professional organizations, and other individuals knowledgeable in school infrastructure and construction issues. The department, in consultation with the task force, shall establish the parameters and criteria for awarding grants based on the information listed in Code, which includes greater priority to be given to the following:

- a. A school district with a lower capacity per pupil.
- b. A school district whose plans address specific occupant fire and health safety issues.

c. A school district reorganizing or collaborating as described in subrule 100.3(2)"m."

d. A school district for which a local option sales and services tax for school infrastructure has not been imposed or a school district that receives minimal revenues from a local option sales and services tax for school infrastructure when the total enrollment of the school district is considered.

100.4(2) Task force review. The task force, or a subcommittee of the task force and its designees, shall review each application and make recommendations to the school budget review committee regarding awards of financial assistance based on the evidence provided by the applicant pursuant to subrule 100.3(2) and the criteria listed in subrule 100.4(3). A reviewer shall not review any application in which the reviewer has an interest, direct or indirect. The identity of the reviewer shall remain confidential.

100.4(3) Ranking of applicants. Applicants shall be ranked on a point system within each size category and awards recommended in rank order beginning with highest points. Applicants which do not receive funding within the applicable size categories will be grouped and ranked on the same point system without regard to size category and awards recommended in rank order beginning with highest points. In the event that two or more school districts tie for a grant award, the applications will be reviewed by one or more additional reviewers until the tie is broken.

The maximum points for an application shall be 500 points. The maximum points per criteria shall be as follows:

a. The maximum number of points that can be awarded for the description of the infrastructure needs and the project proposed to alleviate those needs is 50 points with a

maximum of 25 points for the description of infrastructure needs and 25 points for the project proposed to alleviate those needs.

b. The maximum number of points that can be awarded for evidence that the infrastructure need is related to fire or health safety issues and for the severity of the deficiency is 75 points.

c. The maximum number of points that can be awarded for need based on capacity per pupil is 75 points. The points will be calculated as follows $[(1 - (\text{rank of the school district's capacity per pupil} / \text{rank of the school district at the fortieth percentile})) \times \text{maximum points possible}]$. The minimum number of points that can be awarded for need based on capacity per pupil is 0 points. The points will be awarded in relationship to the rank order with the highest points awarded for the lowest capacity per pupil.

d. The maximum number of points that can be awarded for previous efforts to secure funding within the past five years is 50 points awarded as follows:

(1) The maximum number of points that can be awarded for previous efforts to secure funding within the past five years using a bond issue referendum is 15 points for previously attempted and passed, 10 points for previously attempted and failed, and 0 points for not previously attempted.

(2) The maximum number of points that can be awarded for previous efforts to secure funding within the past five years using the voter-approved physical plant and equipment levy is 10 points for previously attempted and passed, 5 points for previously attempted and failed, and 0 points for not previously attempted.

(3) The maximum number of points that can be awarded for previous efforts to secure funding within the past five years using the regular physical plant and equipment levy is

5 points with 1 point for each year that the board has imposed the levy during the past five years, and 0 points for not previously imposed.

(4) The maximum number of points that can be awarded for efforts to utilize past, current, and future resources for school infrastructure activities is 20 points.

e. The maximum number of points that can be awarded for the description of the nature of the project, its relationship to improving educational opportunities for students, and its ability to meet or exceed educational standards is 60 points.

f. The maximum number of points that can be awarded for the comprehensive, district-wide infrastructure plan and the description of how this project fits within that plan is 40 points.

g. The maximum number of points that can be awarded for the evidence that the school district has reorganized or has initiated a resolution to reorganize, or has enter into an innovative collaboration with one or more other school districts is 75 points.

h. The maximum number of points that can be awarded because the school district receives no or minimal revenues from a local option sales and services tax for school infrastructure is 75 points. The points will be calculated as follows $[(1 - (\text{school district local option sales and services tax per pupil} / \text{statewide average local option sales and services tax capacity per pupil})) \times \text{maximum points possible}]$. The minimum number of points that can be awarded because the school district receives no or minimal revenues from a local option sales and services tax for school infrastructure is 0 points. The pupils for this calculation will be the same enrollment number used for the calculation of sales tax capacity per pupil.

100.4(4) School budget review committee. The school budget review committee shall review the recommendations for awards from the task force. The committee shall make recommendations on awards to the department for final consideration.

281—100.5(78GA, SF2447) Grant award process.

100.5(1) Department determination. The department shall make the final determination on grant awards.

100.5(2) Total amount of awards.

a. For the fiscal year beginning July 1, 2000, the department shall provide grants in an amount of not more than ten million dollars.

b. For the fiscal year beginning July 1, 2001, and for the fiscal year beginning July 1, 2002, the department shall provide grants in an amount of not more than twenty million dollars.

c. If the amount of grants awarded in a fiscal year is less than the maximum amount provided for grants for that fiscal year, the amount of the difference shall be carried forward to subsequent fiscal years for purposes of providing grants under the program, and the maximum amount of grants for each fiscal year shall be adjusted accordingly.

d. If a school district does not meet the local match requirement within nine months of notification of conditional approval from the department, then the department shall deny the financial assistance to the applicant, and the financial assistance shall be carried forward to the next available grant cycle, and the maximum amount of grants for the fiscal year to which the financial assistance is carried forward shall be adjusted accordingly.

100.5(3) Distribution of the awards. The grants shall be allocated in the following manner:

a. Twenty-five percent of the financial assistance each year shall be awarded to school districts with a certified enrollment of 1,199 students or less.

b. Twenty-five percent of the financial assistance each year shall be awarded to school districts with a certified enrollment of more than 1,199 students but not more than 4,750 students.

c. Twenty-five percent of the financial assistance each year shall be awarded to school districts with a certified enrollment of more than 4,750 students.

d. Twenty-five percent of the financial assistance each year plus the financial assistance not awarded in (a) through (c) above and any financial assistance not awarded in previous fiscal years shall be awarded to school districts with any size certified enrollment.

100.5(4) Notification. The department shall notify applicants by the following dates.

a. For the fiscal year beginning July 1, 2000, the department shall notify all approved applicants by May 1, 2001 regarding the approval or conditional approval of the application.

b. For the fiscal years beginning July 1, 2001 and every year thereafter in which there is an application period, the department shall notify all approved applicants by December 15 regarding the approval or conditional approval of the application.

100.5(5) Payment. The grant award will be paid to the successful applicant school district following official notification from the school district that the local match requirement has been met.

281—100.6(78GA, SF2447) Grantee responsibilities.

100.6(1) Notification of local match. If the local match requirement is not met at the time of the application, the grantee shall notify the department that the local match requirement has been met within ten working days of meeting the requirement.

a. If the local match is a bond issue, the local match requirement is met when the bonds are sold.

b. If the local match is a voter-approved physical plant and equipment levy, the local match requirement is met on the date the votes are canvassed and the election is declared successful.

c. If the local match is a regular physical plant and equipment levy, the local match requirement is met when the total of unobligated resources on hand and certified by the board for the subsequent fiscal year equals the amount of the local match requirement.

d. If the local match is gifts, donations, or other resources, the local match requirement is met when the total of unobligated resources on hand equals the amount of the local match requirement.

100.6(2) Notification of change in local match source. If the source of the local match is not met at the time of the application and the school district changes the proposed source of the local match to other eligible sources of local match, the school district shall notify the department within ten working days of the change in sources.

100.6(3) Accounting for the grant. All revenues associated with the project, including interest revenue on fund balance, and all expenditures associated with the project shall be accounted for in a capital projects fund established for this grant program.

100.6(4) Progress report. A grantee shall submit a progress report to the department as requested by the department. The report shall include a description of the activities under the project, the status of the implementation of the projects, and any other information required by the department.

100.6(5) Actual project cost. If the total actual cost of the project is less than the estimated cost included in the application, the school district shall notify the department within twenty working days following the completion of the project. The allowable grant award and the local match shall be recalculated using the actual costs of the project and the award reduced accordingly. If the award payment to the school district exceeds the recalculated allowable grant award amount, the school district shall return the overpayment to the department with the notification.

100.6(6) Withdrawal from the program. If a school district is granted an award and the school district elects not to continue with the project, the school district shall notify the department within ten working days following the board action to discontinue the project. If the award payment has been made to the school district, the school district shall return the award payment to the department with the notification.

100.6(7) Forfeiture of grant award. Failure to comply with any of the rules in this Chapter or with the assurances and information included in the grant application can result in the forfeiture of the grant award.

281—100.7(78GA, SF2447) Appeal of grant denial. Any applicant may appeal the denial of a properly submitted grant application to the director of the department.

Appeals must be in writing and received within ten working days of the date of the notice of the decision to deny. Appeals must be based on a contention that the process was

conducted outside of statutory authority; violated state or federal law, policy, or rule; did not provide adequate public notice; was altered without adequate public notice; or involved conflict of interest by staff or committee members. The hearing and appeals procedures found in 281—Chapter 6 that govern director’s decisions shall be applicable to any appeal of denial.

These rules are intended to implement Iowa Code sections 292.1 through 292.4 as enacted by 2000 Iowa Acts, Senate File 2447.

DATE

TED STILWILL, DIRECTOR
DEPARTMENT OF EDUCATION