

Reprinted

MAR 9 1992

HOUSE FILE 2412

BY COMMITTEE ON EDUCATION

Place On Calendar

(SUCCESSOR TO HSB 702)

Passed House, Date 3/29/92 Passed Senate, Date 3/30/92 (P. 1094)
Vote: Ayes 71 Nays 8 Vote: Ayes 46 Nays 0
Approved April 29, 1992

A BILL FOR

- 1 An Act relating to educational finance matters.
- 2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
- 3

HOUSE FILE 2412

H-5221

- 1 Amend House File 2412 as follows:
- 2 1. Page 3, by striking lines 23 through 28.
- 3 2. By renumbering as necessary.

By IVERSON of Wright
TYRRELL of Iowa
DAGGETT of Adams

H-5221 FILED MARCH 10, 1992

HOUSE FILE 2412

H-5270

- A 1 Amend House File 2412 as follows:
- 2 1. Page 1, by striking lines 1 through 22.
- 3 2. Page 3, by striking lines 23 through 28.
- 4 3. By renumbering as necessary.

By OLLIE of Clinton

H-5270 FILED MARCH 12, 1992

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HF 2412

1 Section 1. Section 257.11, Code 1991, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 8. SHARED CURRICULUM SPECIALISTS. Pupils
4 enrolled in a school district served by a curriculum
5 specialist, who is employed jointly under section 280.15 or by
6 the area education agency under section 273.7A, are assigned a
7 weighting of one plus five-hundredths times the percent of the
8 curriculum specialist's time in which the curriculum
9 specialist is employed in the school district. However, the
10 total additional weighting assigned under this subsection for
11 a budget year for a school district shall not exceed seven and
12 one-half and the total additional weighting added cumulatively
13 to the enrollment of school districts sharing a curriculum
14 specialist shall not exceed twelve and one-half. The
15 assignment of additional weighting to a school district shall
16 continue for a period of five years. This five-year period
17 shall be reduced by the number of years the district shared a
18 curriculum specialist prior to July 1, 1992. If the school
19 district reorganizes during that five-year period, the
20 assignment of the additional weighting shall be transferred to
21 the reorganized district until the expiration of the five-year
22 period.

23 Sec. 2. Section 279.30, Code 1991, is amended to read as
24 follows:

25 279.30 EXCEPTIONS.

26 Each warrant ~~shall~~ must be made payable to the person
27 entitled to receive such the money. The board of directors of
28 any a school district or an area education agency may,
29 however, by resolution of-record authorize the secretary or
30 administrator, in the case of an area education agency, to
31 issue warrants when said the board of directors is not in
32 session in payment of freight, drayage, express, postage,
33 printing, water, light, and telephone rents, but only upon
34 duly verified bills for same filed with the secretary or
35 administrator, and for the payment of salaries pursuant to the

1 terms of a written contract, and ~~said~~ the secretary or
2 administrator shall either deliver in person or mail ~~said~~ the
3 warrants to the ~~payee~~ payees. In addition, the board of
4 directors may by resolution authorize the secretary or
5 administrator, upon approval of the president of the board, to
6 issue warrants when the board of directors is not in session,
7 but only upon verified bills filed with the secretary or
8 administrator, and the secretary or administrator shall either
9 deliver in person or mail the warrants to the payees. Each
10 such warrant ~~shall~~ must be made payable only to the person
11 performing the service or ~~furnishing the supplies for which~~
12 ~~said warrant makes payment~~ presenting the verified bill, and
13 ~~shall~~ must state the purpose for which ~~said~~ the warrant is
14 issued. All bills and salaries for which warrants are issued
15 prior to audit and allowance by the board ~~as provided herein~~
16 ~~shall~~ must be passed upon by the board of directors at the
17 ~~first next~~ meeting thereafter and ~~shall~~ be entered ~~of record~~
18 in the regular minutes of the secretary.

19 Sec. 3. Section 285.10, subsection 7, paragraph a, Code
20 1991, is amended to read as follows:

21 a. From ~~such funds as may be~~ available in the general
22 operating fund or funds in the schoolhouse fund which are
23 raised by the physical plant and equipment levy.

24 Sec. 4. Section 291.10, Code 1991, is amended by striking
25 the section and inserting in lieu thereof the following:

26 291.10 REPORTS BY SECRETARY.

27 The school district shall file an annual report with the
28 director of the department of education on forms prepared for
29 that purpose.

30 Sec. 5. Section 298.2, subsection 4, unnumbered paragraph
31 1, Code 1991, is amended to read as follows:

32 The proposition to levy the voter-approved physical plant
33 and equipment levy is not affected by a change in the
34 boundaries of the school district, except as otherwise
35 provided in this section. If each school district involved in

1 a school reorganization under chapter 275 has adopted the
2 voter-approved physical plant and equipment levy or the sixty-
3 seven and one-half cents per thousand dollars of assessed
4 value schoolhouse levy under section 278.1, subsection 7, Code
5 1989, prior to July 1, 1991, and if the voters have not voted
6 upon the proposition to levy the voter-approved physical plant
7 and equipment levy in the reorganized district, the existing
8 voter-approved physical plant and equipment levy or the
9 existing schoolhouse levy, as applicable, is in effect for the
10 reorganized district for the least amount and the shortest
11 time for which it is in effect in any of the districts.

12 Sec. 6. Section 298.3, subsection 3, Code 1991, is amended
13 to read as follows:

14 3. The purchase of buildings and the purchase of a single
15 unit of equipment or a technology system exceeding five
16 thousand dollars in value.

17 Sec. 7. Section 298.3, Code 1991, is amended by adding the
18 following new unnumbered paragraph:

19 NEW UNNUMBERED PARAGRAPH. Notwithstanding section 291.13,
20 unencumbered funds collected prior to July 1, 1991, from the
21 levy previously authorized under section 297.5, Code 1991, may
22 be expended for the purposes listed in this section.

23 Sec. 8. Section 298.4, subsection 3, Code 1991, is amended
24 to read as follows:

25 3. To pay the costs of insurance agreements authorized
26 under section 296.7 including, but not limited to, costs of
27 providing a self-insurance program and providing medical and
28 health insurance.

29 Sec. 9. Section 298.4, Code 1991, is amended by adding the
30 following new unnumbered paragraph:

31 NEW UNNUMBERED PARAGRAPH. Notwithstanding section 291.13,
32 unencumbered funds collected from the levies authorized in
33 sections 96.31, 279.46, and 296.7 prior to July 1, 1991, may
34 be expended for the purposes listed in subsections 1, 3, and
35 5.

1 Sec. 10. Section 298.16, Code 1991, is amended to read as
2 follows:

3 298.16 JUDGMENT TAX.

4 If the proper fund is not sufficient, then, unless ~~its~~ the
5 school corporation's board has provided by the issuance of
6 bonds for raising the amount necessary to pay a judgment, the
7 cost of the judgment shall be included in the district
8 management levy or if the school corporation is an area
9 education agency or a community college, the boards of the
10 school districts located within the boundaries of the area
11 education agency or merged area shall levy a tax on the
12 taxable property within the boundaries of the area education
13 agency or merged area, as applicable, for purposes of payment
14 of the judgment costs.

15 Sec. 11. Section 291.15, Code 1991, is repealed.

16 EXPLANATION

17 The bill addresses a number of financial matters involving
18 school districts, area education agencies, and community col-
19 leges.

20 Section 1 provides for supplemental weighting under the
21 school aid formula for school districts sharing a curriculum
22 specialist.

23 Section 2 allows the board of directors of a school
24 district or area education agency to authorize the payment of
25 bills which are presented in between board meetings.

26 Sections 3 through 11 make additional changes by providing
27 that buses may be purchased out of the general operating fund
28 or the schoolhouse fund, simplifying the annual reports
29 requirement, allowing districts to carry forward the 67 1/2
30 cent schoolhouse levy for a reorganized district, authorizing
31 the purchase of equipment in reorganized districts, allowing
32 funds previously authorized under the site levy to be expended
33 for purposes authorized under the physical plant and equipment
34 levy, allowing funds previously authorized for early
35 retirement and unemployment insurance to be carried over and

1 expended for the purposes approved under the management levy,
2 allowing school districts to levy for judgments against area
3 education agencies and community colleges and repealing the
4 requirement for a treasurer's annual report.

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HOUSE FILE 2412
FISCAL NOTE

A fiscal note for House File 2412 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

House File 2412 makes the following changes to school finance:

Section 1 provides for supplemental weighting under the school aid formula for school districts sharing a curriculum specialist. Section 2 allows the board of directors of a school district or area education agency to authorize the payment of bills which are presented between board meetings. Section 3 permits districts to purchase buses from the schoolhouse fund, raised by the physical plant and equipment levy (PPEL). Section 4 modifies the district annual reporting requirements. Section 5 modifies the \$0.675 schoolhouse levy for districts which have reorganized. Sections 6, 7, 9 and 10 modify existing school tax levies.

Section 8 allows districts to utilize the management levy for the costs of health and medical benefits. Currently, these expenses are supposed to be included in the districts' combined district cost. This change would allow districts to shift these funds to an unlimited property tax levy, while the spending authority within the combined district cost would not change.

Assumptions:

1. FY 1991 expenditures for all benefits was \$286.7 million.
2. Estimated inflation is 3% per year for both FY 1992 and FY 1993.
3. The estimated FY 1993 expenditures for all benefits is \$304.2 million.
4. Medical and health insurance costs comprise between 30% and 45% of all benefits.
5. For FY 1993, the estimated expense for health and medical benefits is between \$91.3 million and \$136.9 million.

Fiscal Effect:

House File 2412 has no general fund impact. The impact of section 8 which pertains to the management levy is a potential increase in property tax of between \$91.3 and \$136.9 million.

The impact on property tax for the remaining sections cannot be determined, because the actions of the districts cannot be determined.

(LSB 5285hz, CRH)

FILED MARCH 11, 1992

BY DENNIS PROUTY, FISCAL DIRECTOR

HOUSE FILE 2412
FISCAL NOTE

A fiscal note for House File 2412 as passed and amended by the House is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

House File 2412 as passed and amended by the House makes the following changes to school finance. Section 1 allows the board of directors of a school district or area education agency to authorize the payment of bills which are presented between board meetings. Section 2 permits districts to purchase buses from the schoolhouse fund, raised by the physical plant and equipment levy (PPEL). Section 3 modifies the district annual reporting requirements. Section 4 modifies the \$0.675 schoolhouse levy for districts which have reorganized. Sections 5, 6, 7 and 8 modify existing school tax levies.

Fiscal Effect:

House File 2412 as passed and amended by the House has no general fund impact. The impact on property tax cannot be determined, because the actions of the districts are unknown.

(LSB 5285hv.3, CRH)

FILED MARCH 31, 1992

BY DENNIS PROUTY, FISCAL DIRECTOR

Sen. Ed. 5/26, No. 100 5/26

HOUSE FILE 2412
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO HSB 702)

(As Amended and Passed by the House March 18, 1992)

Passed House, Date 4/17/92 (p. 1845) Passed Senate, Date 3/30/92 (p. 1094)
Vote: Ayes 95 Nays 0 Vote: Ayes 46 Nays 0
Approved April 29, 1992

A BILL FOR

Referred to the Senate (p. 1094)
Referred to the Senate 4/15/92 (p. 1094)
Ayes 47 Nays 0

- 1 An Act relating to educational finance matters.
- 2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Deleted Language *

*1 Section 1. Section 279.30, Code 1991, is amended to read
2 as follows:

3 279.30 EXCEPTIONS.

4 Each warrant ~~shall~~ must be made payable to the person
5 entitled to receive ~~such~~ the money. The board of directors of
6 ~~any a~~ school district or an area education agency may,
7 ~~however,~~ by resolution ~~of-record~~ authorize the secretary or
8 administrator, in the case of an area education agency, to
9 issue warrants when ~~said~~ the board of directors is not in
10 session in payment of freight, drayage, express, postage,
11 printing, water, light, and telephone rents, but only upon
12 ~~duy~~ verified bills for same filed with the secretary or
13 administrator, and for the payment of salaries pursuant to the
14 terms of a written contract, and said the secretary or
15 administrator shall either deliver in person or mail said the
16 warrants to the payee payees. In addition, the board of
17 directors may by resolution authorize the secretary or
18 administrator, upon approval of the president of the board, to
19 issue warrants when the board of directors is not in session,
20 but only upon verified bills filed with the secretary or
21 administrator, and the secretary or administrator shall either
22 deliver in person or mail the warrants to the payees. Each
23 such warrant shall must be made payable only to the person
24 performing the service or ~~furnishing-the-supplies-for-which~~
25 ~~said-warrant-makes-payment~~ presenting the verified bill, and
26 ~~shall must~~ state the purpose for which said the warrant is
27 issued. All bills and salaries for which warrants are issued
28 prior to audit and allowance by the board ~~as-provided-herein~~
29 ~~shall must~~ be passed upon by the board of directors at the
30 first next meeting thereafter and shall be entered of-record
31 in the regular minutes of the secretary.

32 Sec. 2. Section 285.10, subsection 7, paragraph a, Code
33 1991, is amended to read as follows:

34 a. From ~~such funds as-may-be~~ available in the general
35 operating fund or funds in the schoolhouse fund which are

1 raised by the physical plant and equipment levy.

2 Sec. 3. Section 291.10, Code 1991, is amended by striking
3 the section and inserting in lieu thereof the following:

4 291.10 REPORTS BY SECRETARY.

5 The school district shall file an annual report with the
6 director of the department of education on forms prepared for
7 that purpose.

8 Sec. 4. Section 298.2, subsection 4, unnumbered paragraph
9 1, Code 1991, is amended to read as follows:

10 The proposition to levy the voter-approved physical plant
11 and equipment levy is not affected by a change in the
12 boundaries of the school district, except as otherwise
13 provided in this section. If each school district involved in
14 a school reorganization under chapter 275 has adopted the
15 voter-approved physical plant and equipment levy or the sixty-
16 seven and one-half cents per thousand dollars of assessed
17 value schoolhouse levy under section 278.1, subsection 7, Code
18 1989, prior to July 1, 1991, and if the voters have not voted
19 upon the proposition to levy the voter-approved physical plant
20 and equipment levy in the reorganized district, the existing
21 voter-approved physical plant and equipment levy or the
22 existing schoolhouse levy, as applicable, is in effect for the
23 reorganized district for the least amount and the shortest
24 time for which it is in effect in any of the districts.

25 Sec. 5. Section 298.3, subsection 3, Code 1991, is amended
26 to read as follows:

27 3. The purchase of buildings and the purchase of a single
28 unit of equipment or a technology system exceeding five
29 thousand dollars in value.

30 Sec. 6. Section 298.3, Code 1991, is amended by adding the
31 following new unnumbered paragraph:

32 NEW UNNUMBERED PARAGRAPH. Notwithstanding section 291.13,
33 unencumbered funds collected prior to July 1, 1991, from the
34 levy previously authorized under section 297.5, Code 1991, may
35 be expended for the purposes listed in this section.

* 1 Sec. 7. Section 298.4, Code 1991, is amended by adding the
2 following new unnumbered paragraph:

3 NEW UNNUMBERED PARAGRAPH. Notwithstanding section 291.13,
4 unencumbered funds collected from the levies authorized in
5 sections 96.31, 279.46, and 296.7 prior to July 1, 1991, may
6 be expended for the purposes listed in subsections 1, 3, and
7 5.

8 Sec. 8. Section 298.16, Code 1991, is amended to read as
9 follows:

10 298.16 JUDGMENT TAX.

11 If the proper fund is not sufficient, then, unless ~~its~~ the
12 school corporation's board has provided by the issuance of
13 bonds for raising the amount necessary to pay a judgment, the
14 cost of the judgment shall be included in the district
15 management levy or if the school corporation is an area
16 education agency or a community college, the boards of the
17 school districts located within the boundaries of the area
18 education agency or merged area shall levy a tax on the
19 taxable property within the boundaries of the area education
20 agency or merged area, as applicable, for purposes of payment
21 of the judgment costs.

22 Sec. 9. Section 291.15, Code 1991, is repealed.

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HOUSE FILE 2412

S-5445

1 Amend House File 2412, as amended, passed, and
2 reprinted by the House as follows:

3 1. Page 3, by striking lines 8 through 21.

By JOHN A. PETERSON

S-5445 FILED MARCH 30, 1992

ADOPTED (p. 1423)

Motion to Amend (p. 1427)
W/D 4/15 (p. 1426)

HOUSE FILE 2412

S-5504

1 Amend House File 2412, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 1, by inserting before line 1, the
4 following:

5 "Section 1. Section 257.29, Code 1991, is amended
6 by adding the following new unnumbered paragraph:

7 NEW UNNUMBERED PARAGRAPH. Notwithstanding the
8 requirement in the first unnumbered paragraph of this
9 section that the regular program district cost per
10 pupil for a budget year is one hundred ten percent of
11 the regular state cost per pupil, the board of
12 directors may participate in the educational
13 improvement program as provided in this section if the
14 school district had adopted an enrichment levy of
15 fifteen percent of the state cost per pupil multiplied
16 by the budget enrollment in the district prior to July
17 1, 1992, and upon expiration of the period for which
18 the enrichment levy was adopted, adopts a resolution
19 for the use of the instructional support program
20 established in section 257.18. The maximum percent of
21 the regular district cost of the district that may be
22 used under this paragraph shall not exceed five
23 percent."

24 2. By renumbering as necessary.

By ALVIN V. MILLER

WALLY E. HORN

MICHAEL W. CONNOLLY

S-5504 FILED APRIL 1, 1992

Adopted 4/15 (p. 1426)

HOUSE FILE 2412

S-5620

1 Amend House File 2412, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 1, by inserting before line 1 the
4 following:

5 "Section 1. Section 11.6, subsection 1, unnumbered
6 paragraph 1, Code Supplement 1991, is amended to read
7 as follows:

8 The financial condition and transactions of all
9 cities and city offices, counties, county hospitals
10 organized under chapters 347 and 347A, memorial
11 hospitals organized under chapter 37, entities
12 organized under chapter 26E having gross receipts in
13 excess of one hundred thousand dollars in a fiscal
14 year, merged areas, area education agencies, and all
15 school offices in school districts, shall be examined
16 at least once each year, except that cities having a
17 population of seven hundred or more but less than two
18 thousand shall be examined at least once every four
19 years, and cities having a population of less than
20 seven hundred may be examined as otherwise provided in
21 this section. The examination shall cover the fiscal
22 year next preceding the year in which the audit is
23 conducted. The examination of school offices shall
24 include an audit of all school funds, the certified
25 annual financial report, and the certified enrollment
26 as provided in section 257.11. Examinations of
27 community colleges shall include an audit of eligible
28 and noneligible contact hours as defined in section
29 286A.2. Eligible and noneligible contact hours and
30 the any differences in certified enrollment shall be
31 certified reported to the department of management.

32 Sec. _____. Section 257.6, subsection 1, Code 1991,
33 is amended by adding the following new unnumbered
34 paragraph:

35 NEW UNNUMBERED PARAGRAPH. The department of
36 management shall adjust the enrollment of the school
37 district for the audit year based upon reports filed
38 under section 11.6, and shall further adjust the
39 budget of the second year succeeding the audit year
40 for the property tax and state aid portions of the
41 reported differences in enrollments for the year
42 succeeding the audit year."

By WALLY HORN

S-5620 FILED APRIL 9, 1992

Adopted 4/15 (p. 1426)

SENATE AMENDMENT TO HOUSE FILE 2412

H-5924

1 Amend House File 2412, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 1, by inserting before line 1 the
4 following:

5 "Section 1. Section 11.6, subsection 1, unnumbered
6 paragraph 1, Code Supplement 1991, is amended to read
7 as follows:

8 The financial condition and transactions of all
9 cities and city offices, counties, county hospitals
10 organized under chapters 347 and 347A, memorial
11 hospitals organized under chapter 37, entities
12 organized under chapter 28E having gross receipts in
13 excess of one hundred thousand dollars in a fiscal
14 year, merged areas, area education agencies, and all
15 school offices in school districts, shall be examined
16 at least once each year, except that cities having a
17 population of seven hundred or more but less than two
18 thousand shall be examined at least once every four
19 years, and cities having a population of less than
20 seven hundred may be examined as otherwise provided in
21 this section. The examination shall cover the fiscal
22 year next preceding the year in which the audit is
23 conducted. The examination of school offices shall
24 include an audit of all school funds, the certified
25 annual financial report, and the certified enrollment
26 as provided in section 257.11. Examinations of
27 community colleges shall include an audit of eligible
28 and noneligible contact hours as defined in section
29 286A.2. Eligible and noneligible contact hours and
30 ~~the any differences in~~ certified enrollment shall be
31 certified reported to the department of management.

32 Sec. _____. Section 257.6, subsection 1, Code 1991,
33 is amended by adding the following new unnumbered
34 paragraph:

35 NEW UNNUMBERED PARAGRAPH. The department of
36 management shall adjust the enrollment of the school
37 district for the audit year based upon reports filed
38 under section 11.6, and shall further adjust the
39 budget of the second year succeeding the audit year
40 for the property tax and state aid portions of the
41 reported differences in enrollments for the year
42 succeeding the audit year."

43 2. Page 1, by inserting before line 1, the
44 following:

45 "Section 1. Section 257.29, Code 1991, is amended
46 by adding the following new unnumbered paragraph:

47 NEW UNNUMBERED PARAGRAPH. Notwithstanding the
48 requirement in the first unnumbered paragraph of this
49 section that the regular program district cost per
50 pupil for a budget year is one hundred ten percent of

H-5924

H-5924

Page 2

1 the regular state cost per pupil, the board of
2 directors may participate in the educational
3 improvement program as provided in this section if the
4 school district had adopted an enrichment levy of
5 fifteen percent of the state cost per pupil multiplied
6 by the budget enrollment in the district prior to July
7 1, 1992, and upon expiration of the period for which
8 the enrichment levy was adopted, adopts a resolution
9 for the use of the instructional support program
10 established in section 257.18. The maximum percent of
11 the regular district cost of the district that may be
12 used under this paragraph shall not exceed five
13 percent."

14 3. Page 3, by striking lines 8 through 21.

15 4. By renumbering, relettering, or redesignating
16 and correcting internal references as necessary.

RECEIVED FROM THE SENATE

H-5924 FILED APRIL 15, 1992

Concurred 4/17 (p. 1242)

HSB 702

EDUCATION

Now

SENATE/HOUSE FILE 2412

BY (PROPOSED DEPARTMENT
OF EDUCATION BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to educational finance matters.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SUB COMMITTEE ASSIGNMENTS
CHAIR: *Oliver*
COMMITTEE: *Education*
3-3-92

1 Section 1. Section 257.11, Code 1991, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 8. SHARED CURRICULUM SPECIALISTS. Pupils
4 enrolled in a school district served by a curriculum
5 specialist, who is employed jointly under section 280.15 or by
6 the area education agency under section 273.7A, are assigned a
7 weighting of one plus five-hundredths times the percent of the
8 curriculum specialist's time in which the curriculum
9 specialist is employed in the school district. However, the
10 total additional weighting assigned under this subsection for
11 a budget year for a school district shall not exceed seven and
12 one-half and the total additional weighting added cumulatively
13 to the enrollment of school districts sharing a curriculum
14 specialist shall not exceed twelve and one-half. The
15 assignment of additional weighting to a school district shall
16 continue for a period of five years. This five-year period
17 shall be reduced by the number of years the district shared a
18 curriculum specialist prior to July 1, 1992. If the school
19 district reorganizes during that five-year period, the
20 assignment of the additional weighting shall be transferred to
21 the reorganized district until the expiration of the five-year
22 period.

23 Sec. 2. Section 279.30, Code 1991, is amended to read as
24 follows:

25 279.30 EXCEPTIONS.

26 Each warrant ~~shall~~ must be made payable to the person
27 entitled to receive ~~such~~ the money. The board of directors of
28 ~~any a~~ school district may ~~however,~~ by resolution of-record
29 authorize the secretary to issue warrants when ~~said~~ the board
30 of directors is not in session in payment of freight, drayage,
31 express, postage, printing, water, light, and telephone rents,
32 but only upon duly verified bills ~~for-same~~ filed with the
33 secretary, and for the payment of salaries pursuant to the
34 terms of a written contract, and ~~said~~ the secretary shall
35 either deliver in person or mail ~~said~~ the warrants to the

1 payee payees. In addition, the board of directors may by
2 resolution authorize the secretary, upon approval of the
3 president of the board, to issue warrants when the board of
4 directors is not in session, but only upon verified bills
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6 deliver in person or mail the warrants to the payees. Each
7 such warrant ~~shall~~ must be made payable only to the person
8 performing the service or ~~furnishing-the-supplies-for-which~~
9 ~~said-warrant-makes-payment~~ presenting the verified bill, and
10 ~~shall~~ must state the purpose for which ~~said~~ the warrant is
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23 291.10 REPORTS BY SECRETARY.

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30 and equipment levy is not affected by a change in the
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32 provided in this section. If each school district involved in
33 a school reorganization under chapter 275 has adopted the
34 voter-approved physical plant and equipment levy or the sixty-
35 seven and one-half cents per thousand dollars of assessed

1 value schoolhouse levy under section 278.1, subsection 7, Code
2 1989, prior to July 1, 1991, and if the voters have not voted
3 upon the proposition to levy the voter-approved physical plant
4 and equipment levy in the reorganized district, the existing
5 voter-approved physical plant and equipment levy or the
6 existing schoolhouse levy, as applicable, is in effect for the
7 reorganized district for the least amount and the shortest
8 time for which it is in effect in any of the districts.

9 Sec. 6. Section 298.3, subsection 3, Code 1991, is amended
10 to read as follows:

11 3. The purchase of buildings and the purchase of a single
12 unit of equipment or a technology system exceeding five
13 thousand dollars in value.

14 Sec. 7. Section 298.3, Code 1991, is amended by adding the
15 following new unnumbered paragraph:

16 NEW UNNUMBERED PARAGRAPH. Notwithstanding section 291.13,
17 unencumbered funds collected prior to July 1, 1991, from the
18 levy previously authorized under section 297.5, Code 1991, may
19 be expended for the purposes listed in this section.

20 Sec. 8. Section 298.4, subsection 3, Code 1991, is amended
21 to read as follows:

22 3. To pay the costs of insurance agreements authorized
23 under section 296.7 including, but not limited to, costs of
24 providing a self-insurance program and providing medical and
25 health insurance.

26 Sec. 9. Section 298.4, Code 1991, is amended by adding the
27 following new unnumbered paragraph:

28 NEW UNNUMBERED PARAGRAPH. Notwithstanding section 291.13,
29 unencumbered funds collected from the levies authorized in
30 sections 96.31, 279.46, and 296.7 prior to July 1, 1991, may
31 be expended for the purposes listed in subsections 1, 3, and
32 5.

33 Sec. 10. Section 298.16, Code 1991, is amended to read as
34 follows:

35 298.16 JUDGMENT TAX.

1 If the proper fund is not sufficient, then, unless ~~its~~ the
2 school corporation's board has provided by the issuance of
3 bonds for raising the amount necessary to pay a judgment, the
4 cost of the judgment shall be included in the district
5 management levy or if the school corporation is an area
6 education agency or a community college, the board of the
7 school corporation shall levy a tax on the taxable property
8 within the boundaries of the area education agency or merged
9 area, as applicable, for purposes of payment of the judgment
10 costs.

11 Sec. 11. Section 291.15, Code 1991, is repealed.

12 EXPLANATION

13 The bill addresses a number of financial matters involving
14 school districts, area education agencies, and community col-
15 leges.

16 Section 1 provides for supplemental weighting under the
17 school aid formula for school districts sharing a curriculum
18 specialist.

19 Section 2 allows the board of directors of a school
20 district to authorize the payment of bills which are presented
21 in between board meetings.

22 Sections 3 through 11 make additional changes by providing
23 that buses may be purchased out of the general operating fund
24 or the schoolhouse fund, simplifying the annual reports
25 requirement, allowing districts to carry forward the 67 1/2
26 cent schoolhouse levy for a reorganized district, authorizing
27 the purchase of equipment in reorganized districts, allowing
28 funds previously authorized under the site levy to be expended
29 for purposes authorized under the physical plant and equipment
30 levy, allowing funds previously authorized for early
31 retirement and unemployment insurance to be carried over and
32 expended for the purposes approved under the management levy,
33 allowing area education agencies and community colleges to
34 levy for judgments against them, and repealing the requirement
35 for a treasurer's annual report.

BACKGROUND STATEMENT
SUBMITTED BY THE AGENCY

This bill adds clarifying language regarding purchase of school buses, making it consistent with section 298.3. It makes corrective amendments in the Code: allowing districts to carry forward the 67 1/2 cent schoolhouse levy for a reorganized district, authorizing the purchase of equipment in reorganized districts, allowing funds previously authorized under the site levy to be expended for purposes authorized under the physical plant and equipment levy, allowing funds previously authorized for early retirement and unemployment insurance to be carried over and expended for the purposes approved under the management levy, and allowing area education agencies and community colleges to levy for judgments against them.

The bill allows the management fund to be used for all insurance purposes including health insurance. Districts have previously used the tort or insurance levy to pay for items such as group health insurance. This will clarify that the management fund can now be used for this purpose.

It reinstates the supplementary weighting for districts sharing a curriculum specialist. The department feels that the utilization of the shared administrator weighting which resulted in an increase in curriculum specialists has been one of the most positive and significant efforts to improve education in Iowa in the past several years. These persons have made significant contributions to the educational process in local districts in areas that include: directing the curriculum and staff development processes; being responsible for conducting the needs assessment effort; directing compliance for school standards; and involvement with at-risk, technology, career education, talented and gifted, and Phase III programs.

The bill also empowers a school corporation to adopt procedures for the payment of bills which are presented in

1 between board meetings. Bills previously contemplated by
2 contract, the budget, previously authorized purchase order, or
3 which meet other criteria adopted by the board through its
4 purchasing procedures, or budget could be paid. If the
5 expenditure has been previously authorized, and falls within
6 the procedure, it may be paid, and the payment presented for
7 ratification and review and audit at the next board meeting.

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HOUSE FILE 2412

AN ACT
RELATING TO EDUCATIONAL FINANCE MATTERS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 11.6, subsection 1, unnumbered paragraph 1, Code Supplement 1991, is amended to read as follows:

The financial condition and transactions of all cities and city offices, counties, county hospitals organized under chapters 347 and 347A, memorial hospitals organized under chapter 37, entities organized under chapter 28E having gross receipts in excess of one hundred thousand dollars in a fiscal year, merged areas, area education agencies, and all school offices in school districts, shall be examined at least once each year, except that cities having a population of seven hundred or more but less than two thousand shall be examined at least once every four years, and cities having a population of less than seven hundred may be examined as otherwise provided in this section. The examination shall cover the fiscal year next preceding the year in which the audit is conducted. The examination of school offices shall include an audit of all school funds, the certified annual financial report, and the certified enrollment as provided in section

257.11. Examinations of community colleges shall include an audit of eligible and noneligible contact hours as defined in section 286A.2. Eligible and noneligible contact hours and the any differences in certified enrollment shall be certified reported to the department of management.

Sec. 2. Section 257.6, subsection 1, Code 1991, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The department of management shall adjust the enrollment of the school district for the audit year based upon reports filed under section 11.6, and shall further adjust the budget of the second year succeeding the audit year for the property tax and state aid portions of the reported differences in enrollments for the year succeeding the audit year.

Sec. 3. Section 257.29, Code 1991, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding the requirement in the first unnumbered paragraph of this section that the regular program district cost per pupil for a budget year is one hundred ten percent of the regular state cost per pupil, the board of directors may participate in the educational improvement program as provided in this section if the school district had adopted an enrichment levy of fifteen percent of the state cost per pupil multiplied by the budget enrollment in the district prior to July 1, 1992, and upon expiration of the period for which the enrichment levy was adopted, adopts a resolution for the use of the instructional support program established in section 257.18. The maximum percent of the regular district cost of the district that may be used under this paragraph shall not exceed five percent.

Sec. 4. Section 279.30, Code 1991, is amended to read as follows:

279.30 EXCEPTIONS.

Each warrant shall must be made payable to the person entitled to receive such the money. The board of directors of

any a school district or an area education agency may, however, by resolution of record authorize the secretary or administrator, in the case of an area education agency, to issue warrants when said the board of directors is not in session in payment of freight, drayage, express, postage, printing, water, light, and telephone rents, but only upon duly verified bills for same filed with the secretary or administrator, and for the payment of salaries pursuant to the terms of a written contract, and said the secretary or administrator shall either deliver in person or mail said the warrants to the payee payees. In addition, the board of directors may by resolution authorize the secretary or administrator, upon approval of the president of the board, to issue warrants when the board of directors is not in session, but only upon verified bills filed with the secretary or administrator, and the secretary or administrator shall either deliver in person or mail the warrants to the payees. Each such warrant shall must be made payable only to the person performing the service or furnishing the supplies for which said warrant makes payment presenting the verified bill, and shall must state the purpose for which said the warrant is issued. All bills and salaries for which warrants are issued prior to audit and allowance by the board as provided herein shall must be passed upon by the board of directors at the first next meeting thereafter and shall be entered of record in the regular minutes of the secretary.

Sec. 5. Section 285.10, subsection 7, paragraph a, Code 1991, is amended to read as follows:

a. From such funds as may be available in the general operating fund or funds in the schoolhouse fund which are raised by the physical plant and equipment levy.

Sec. 6. Section 291.10, Code 1991, is amended by striking the section and inserting in lieu thereof the following:

291.10 REPORTS BY SECRETARY.

The school district shall file an annual report with the director of the department of education on forms prepared for that purpose.

Sec. 7. Section 298.2, subsection 4, unnumbered paragraph 1, Code 1991, is amended to read as follows:

The proposition to levy the voter-approved physical plant and equipment levy is not affected by a change in the boundaries of the school district, except as otherwise provided in this section. If each school district involved in a school reorganization under chapter 275 has adopted the voter-approved physical plant and equipment levy or the sixty-seven and one-half cents per thousand dollars of assessed value schoolhouse levy under section 278.1, subsection 7, Code 1989, prior to July 1, 1991, and if the voters have not voted upon the proposition to levy the voter-approved physical plant and equipment levy in the reorganized district, the existing voter-approved physical plant and equipment levy or the existing schoolhouse levy, as applicable, is in effect for the reorganized district for the least amount and the shortest time for which it is in effect in any of the districts.

Sec. 8. Section 298.3, subsection 3, Code 1991, is amended to read as follows:

3. The purchase of buildings and the purchase of a single unit of equipment or a technology system exceeding five thousand dollars in value.

Sec. 9. Section 298.3, Code 1991, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding section 291.13, unencumbered funds collected prior to July 1, 1991, from the levy previously authorized under section 297.5, Code 1991, may be expended for the purposes listed in this section.

Sec. 10. Section 298.4, Code 1991, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding section 291.13, unencumbered funds collected from the levies authorized in

sections 96.31, 279.46, and 296.7 prior to July 1, 1991, may be expended for the purposes listed in subsections 1, 3, and 5.

Sec. 11. Section 291.15, Code 1991, is repealed.

ROBERT C. ARNOULD
Speaker of the House

MICHAEL E. GRONSTAL
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2412, Seventy-fourth General Assembly.

JOSEPH O'HERN
Chief Clerk of the House

Approved April 29, 1992

TERRY E. BRANSTAD
Governor

HF 2412