

**273.23 Initial board.**

1. A petition filed under [section 273.21](#) shall state the number of directors on the initial board which shall be either seven or nine directors. The petition shall specify the number of directors to be retained from each area, and those numbers shall be proportionate to the populations of the agencies. If the proportionate balance of directors among the affected agencies specified in the plan is affected by school districts petitioning to be excluded from the reorganization, or if the proposal specified in the plan does not comply with the requirement for proportionate representation, the state board shall modify the proposal. However, all area education agencies affected shall retain at least one member.

2. Prior to the organization meeting of the board of directors of the newly formed area education agency, the boards of the former area education agencies shall designate directors to be retained as members to serve on the initial board of the newly formed area education agency. A vacancy occurs if an insufficient number of former board members reside within the newly formed area education agency's boundaries or if an insufficient number of former board members are willing to serve on the board of the newly formed area education agency. Vacancies, as defined in [section 277.29](#), in the membership of the newly formed area education agency board shall be filled for the unexpired portion of the term at a director district convention called and conducted in the manner provided in [section 273.8](#) for director district conventions.

3. Not later than January 15 of the calendar year in which the reorganization takes effect, the initial board shall call a director district convention under the provisions of [section 273.8, subsection 3](#), for the purpose of electing a board for the reorganized area education agency. The new board shall have control of the employment of all personnel for the newly formed area education agency for the ensuing school year. Following the organization of the new board, the board shall have authority to establish policy, enter into contracts, and complete such planning and take such action as is essential for the efficient management of the newly formed area education agency.

4. The initial board of the newly formed district shall appoint an acting administrator and an acting board secretary. The appointment of the acting administrator shall not be subject to the continuing contract provisions of [sections 279.20, 279.23, and 279.24](#).

5. The initial board, or new board if established in time under [subsection 3](#), of the newly formed agency shall prepare an annual budget estimating income and expenditures for programs and services as provided in [sections 273.1 through 273.9](#) and [chapter 256B](#) within the limits of funds provided under [section 256B.9](#) and [chapter 257](#). The board shall give notice of a public hearing on the proposed budget by publication in an official county newspaper in each county in the territory of the area education agency in which the principal place of business of a school district that is a part of the area education agency is located. The notice shall specify the date, which shall not be later than March 1, the time, and the location of the public hearing. The proposed budget as approved by the board shall be submitted to the state board, on forms provided by the department, no later than March 15 for approval. The state board shall review the proposed budget of the newly formed area education agency and shall, before May 1, either grant approval or return the budget without approval with comments of the state board included. An unapproved budget shall be resubmitted to the state board for final approval not later than May 15. The state board shall give final approval only to budgets submitted by area education agencies accredited by the state board or that have been given conditional accreditation by the state board.

6. For the school year beginning on the effective date of an area education agency reorganization as provided in [this subchapter](#), the media services cost per pupil as determined under [section 257.37](#) for all districts in a newly formed area education agency for the budget year shall be the highest amount of media services cost per pupil for any of the affected area education agencies.

7. For the school year beginning on the effective date of an area education agency reorganization as provided in [this subchapter](#), the educational services cost per pupil as determined under [section 257.37](#) for all districts in a newly formed area education agency

for the budget year shall be the highest amount of educational services cost per pupil for any of the affected area education agencies.

8. For the school year beginning on the effective date of an area education agency reorganization as provided in [this subchapter](#), the special education support services cost per pupil shall be based upon the combined base year budgets for special education support services of the area education agencies that reorganized to form the newly formed area education agency, divided by the total of the weighted enrollment for special education support services in the reorganized area education agency for the base year plus the supplemental state aid amount per pupil for special education support services for the budget year as calculated in [section 257.8](#).

9. Within one year of the effective date of the reorganization, a newly formed area education agency shall meet the accreditation requirements set forth in [section 273.10](#), and the standards set forth in [section 273.11](#). The newly formed area education agency shall be considered accredited for purposes of budget approval by the state board pursuant to [section 273.3](#). The state board shall inform the newly formed area education agency of the accreditation on-site visit schedule.

10. The special education support cost per pupil, the media cost per pupil, and the educational services cost per pupil for a school district petitioning into an area education agency shall be the special education support cost per pupil, media cost per pupil, and educational services cost per pupil of the area education agency into which it petitions if the petition is approved.

11. Unless the reorganization of an area education agency takes effect less than two years before the taking of the next federal decennial census, a newly formed area education agency shall, within one year of the effective date of the reorganization, redraw the boundary lines of director districts in the area education agency if a petition filed by a school district to join the newly formed area education agency, or for release from the newly formed area education agency, in accordance with [section 273.22](#), [subsections 4, 6, and 7](#), was approved. Until the boundaries are redrawn, the boundaries for the newly formed area education agency shall be as provided in the reorganization plan approved by the state board in accordance with [section 273.21](#).

[2001 Acts, ch 114, §5; 2002 Acts, ch 1029, §5 – 8; 2003 Acts, ch 180, §27, 28; 2004 Acts, ch 1101, §97, 102; 2013 Acts, ch 88, §13; 2013 Acts, ch 121, §40, 42](#)

Referred to in [§273.8](#), [273.22](#)