



# School Business Alert

**IOWA DEPARTMENT OF EDUCATION**

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**Correction on Preschool Distribution Article from the November SBA Issue**

Kudos to Mike Clingingsmith and Kevin Kelleher who identified an error in the preschool distribution example. We would like to say it was a test to see who really reads the School Business Alert, but it really was a mistake. We had been asked to create an example that was more understandable from the private providers' viewpoint. So we used headcounts of children rather than budget enrollment (FTEs) because it is easier to understand outside of school finance. Mathematically,  $((\text{headcount} \times .5) \times \text{SCPP})$  is the same result as  $(\text{headcount} \times (\text{SCPP} \times .5))$ . However, we missed the ".5" on the first calculation when we were replacing budget enrollment with headcount on the "state portion". It should have said: state portion:  $\$33.17 \times .5 \times 61 = \$1,011.69$ . The theory is correct in the rest of the calculations, but each would be slightly different numbers because of the larger amount now left in the first calculation for "after state portion."

Contact: [su.mccurdy@iowa.gov](mailto:su.mccurdy@iowa.gov) or 515.281.4738.

**STEM Scale Up Program Grants Update**

Since the article in the November 2012, SBA, several districts have asked if the Science, Technology, Engineering, and Math (STEM) grants could also be accounted for in the Student Activity Fund or if they need to be accounted for in the General Fund. We discussed this, also considering Federal and other reporting that we do. All STEM grants, including the possible separate grant for the robot, needs to be accounted for in the General Fund. Contact [janice.evans@iowa.gov](mailto:janice.evans@iowa.gov) or 515.281.4740.

**Intrafund Transfers (correction to last month's SBA)**

The Title I entry for indirect costs in the previous SBA inadvertently used program 23X rather than 43X. The correct entry is as follows:

Record Indirect Costs for Title I grants:

Debit Function 251X, Program 43X, Project 450X, object 951, Intrafund transfers and  
Credit Function 251X, program 000, project 0000, object 951, Intrafund Transfers for the same amount

If you have further questions, contact [janice.evans@iowa.gov](mailto:janice.evans@iowa.gov) or 515.281.4740.

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The December School Leader Update can be found at:

[www.educateiowa.gov](http://www.educateiowa.gov)

## Physical Plant and Equipment Levy (PPEL)

In April, 2011, the Department shared with districts the Declaratory Order 87 that defined “technology” and clarified the uses of PPEL money to obtain technology. The Declaratory Order is available on the web at [http://educateiowa.gov/index.php?option=com\\_content&view=article&id=1572&Itemid=4213#AppealDecisions](http://educateiowa.gov/index.php?option=com_content&view=article&id=1572&Itemid=4213#AppealDecisions). Click on Appeal Decisions, under Type choose Declaratory Orders, then click Query. The Department followed with an FAQ document which responded to specific questions submitted from various districts and other sources. That document is available at [http://educateiowa.gov/index.php?option=com\\_content&view=article&id=1424&Itemid=3003](http://educateiowa.gov/index.php?option=com_content&view=article&id=1424&Itemid=3003).

One additional subtle change was enacted by the legislature in HF 645. The legislature amended the uses of PPEL to delete the phrase “a single unit” so that the paragraph now reads: “The purchase, lease, or lease-purchase of equipment or technology exceeding \$500 in value per purchase, lease, or lease-purchase transaction. Each transaction may include multiple equipment or technology units. This has created a few more questions for the Department to address.

**Q. Does the legislation stating “that multiple equipment or technology units may be included in each transaction” mean that bundling for technology is no longer allowed because some of the bundled costs would not have been equipment?**

A. No. The new legislation does not change what the Declaratory Order stated in terms of technology may be bundled, and a bundle for this purpose means a collection of items from the same vendor related to a specific technology purchase.

**Q. Does this legislation now allow bulk purchasing of equipment?**

A. Yes. The legislation now allows bulk purchasing of equipment units and bulk purchasing of technology units even though those units individually might not have cost more than \$500 each.

**Q. Does the legislation allow bulk purchasing of supplies?**

A. No. Bulk purchasing is only for items which are defined as equipment and items which are defined as technology. The legislation did not state nor imply that bulk purchasing a supply would convert it to “equipment” for purposes of PPEL. For assistance in distinguishing a supply from equipment, refer to Appendix E in the Iowa Uniform Financial Accounting Manual. Exhibit E-1 has a flowchart to easily distinguish the difference.

Districts are cautioned, for the sole purpose of moving expenditures from the general fund to the PPEL fund, from disregarding any question in the flowchart or rationalizing any question such as the district “could” repair an item if the district does not actually follow that “repair versus replacement” policy. There are subtle impacts from that decision, a few of which are listed here. Supplies are current expenditures, but equipment is a non-current expenditure. Movement from current to non-current can impact maintenance of effort calculations, not only for the local districts, but also for the state in determining the amount of federal funding from ESEA/NCLB and other federal funding the Department receives to allocate to districts and AEAs. In FY2010, Iowa maintained effort by only \$4 per pupil. Districts also need to maintain effort. Movement from current to non-current expenditures can also impact indirect cost rates and indirect cost recovery bases. Non-current expenditures cannot be included in the rate calculations, which lower the rates, but also the rates cannot be applied against non-current expenditures, which further lowers the indirect cost recovery amount. A statewide movement from current to non-current can harm the ranking of the states, which in turn can be negatively interpreted by researchers and policymakers. If you have any questions or concerns contact, Su McCurdy [su.mccurdy@iowa.gov](mailto:su.mccurdy@iowa.gov) or 515.281.4738.

## Medicaid

### Re-enrollment Reminder

By December 31, 2012, all LEA, AEA and Infant Toddler Iowa Medicaid providers must complete enrollment renewal electronically on the Iowa Medicaid Portal Access (IMPA) system: <https://secureapp.dhs.state.ia.us/impa/>.

### Webinar Links

Below please find links to the Adobe Connect Medicaid trainings held this school year for LEA and AEA staff who provide services in, or manage their agency’s Medicaid program. The format and material was the same for all sessions: program updates and reminders, re-enrollments, Iowa Medicaid Portal Access, and answers to submitted questions.

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Date	URL for viewing
August 15, 2012	<a href="http://iowa.adobeconnect.com/p1b6k2qyunb/">http://iowa.adobeconnect.com/p1b6k2qyunb/</a>
September 12, 2012	<a href="http://iowa.adobeconnect.com/p2scpdcqhza/">http://iowa.adobeconnect.com/p2scpdcqhza/</a>
October 17, 2012	<a href="http://iowa.adobeconnect.com/p92i6swnw4l/">http://iowa.adobeconnect.com/p92i6swnw4l/</a>
November 14, 2012	<a href="http://iowa.adobeconnect.com/p1lqn6kv15c/">http://iowa.adobeconnect.com/p1lqn6kv15c/</a>

Medicaid Administrative Claiming Reserve Funds Can be Released

Currently, Iowa Medicaid has programs that reimburse AEAs, LEAs, and Infant Toddler Early Access providers on a fee-for-service basis for delivery of direct services to Medicaid enrollees. From 1995 to 2007, an additional program, Medicaid Administrative Claiming for School Based Services (MACSS) was available which was not fee-for-service. The MACSS program covered such items as Medicaid outreach, eligibility intake, information and referral, health service coordination and monitoring, and interagency coordination. In the MACSS program, reimbursement involved a random sample time study for all staff statewide who participated in the program, a complex claim form for processing, and training for all participating staff. Staff were required to code their activities for time spent based upon categories established in the Centers for Medicare and Medicaid Services (CMS) guidelines.

By 2007, LEA participation in MACSS had markedly declined, with SFY06 revenue at only \$27,000, and SFY07 participation by only five local education agencies. The requirements were frequently found to be administratively burdensome for participating districts. It was very likely that school districts were also expending more to participate in the program than the revenue earned. So in 2007, it was agreed to “retire” the MACSS program.

However, one contractual requirement was for maintaining a “reserve fund” for five years from the time of payment of a claim. Effective January 1, 2013, providers can release their reserve dollars.

Contact: [jim.donoghue@iowa.gov](mailto:jim.donoghue@iowa.gov) or 515.281.8505.

**The 2012-2013 Green Ribbon Schools Applications are Due by 4:30pm on Friday, December 21, 2012**

The Green Ribbon Schools program through the U.S. Department of Education will recognize schools and school districts that save energy and reduce operating costs, create environmentally friendly learning spaces, promote student health, and provide environmental education to incorporate sustainability into the curriculum.

Green Ribbon Schools eligibility means the school or school district will have achieved or made considerable progress toward the three ED-GRS Pillars established in the program: 1) reduce environmental impact and costs; 2) improve the health and wellness of students and staff; and 3) provide effective environmental and sustainability education, incorporating STEM, civic skills, and green career pathways. The combined achievement in these three areas will be the basis for the Green Ribbon Schools award. Schools demonstrating exemplary achievement in all three Pillars will receive highest rankings.

Public and private schools in Iowa will make their application for nomination to the Iowa Department of Education (DE). DE is permitted to nominate up to four schools to the U.S. Department of Education. If four are nominated, one must be a public school with a 40 percent disadvantaged population and one must be a private school. All schools must meet high college- and career-ready standards, be in compliance with federal civil rights laws, and all federal, state, and local health and safety standards and regulations. In addition to the school nominations, the DE may recommend one multi-school serving district for the District Sustainability Award that has shown exemplary comprehensive high achievement in all three Pillars.

Please visit [http://educateiowa.gov/index.php?option=com\\_content&view=article&id=2556&Itemid=4627](http://educateiowa.gov/index.php?option=com_content&view=article&id=2556&Itemid=4627) to review information about the Green Ribbon Schools program and access the application. The U.S. Department of Education’s website (<http://www2.ed.gov/programs/green-ribbon-schools/index.html>) provides information to assist schools and school districts with the application process. For more information about the program, contact Gary Schwartz, Facilities Consultant, 515.281.4743 or [gary.schwartz@iowa.gov](mailto:gary.schwartz@iowa.gov).

### State Payment Tracking and Payments Not on DE Tracking

Districts will find on the secure EdInfo website ([www.edinfo.state.ia.us](http://www.edinfo.state.ia.us)) or on the auto-generated emails, a list of payments that originated from the Department of Education. Payments may come from other departments as well. If the payment in question is not on the Department's page, it likely came from a different government agency.

One regular "other" source is the Department of Revenue. On the Department of Revenue's website, district payment information is located at <http://www.iowa.gov/tax/>. Under "Local Government" click on Warrant History. Contact Joel Gabrielson with questions at [joel.gabrielson@iowa.gov](mailto:joel.gabrielson@iowa.gov) or 515.281.6106.

For all state payments, you may visit the DAS link: <https://i3public.iowa.gov/payments/index.faces>. You will also find this link at the bottom of the State Payment Schedule webpage of the DE website.

### Nonpublic Certified Enrollment and Textbook Services

In previous years, districts had the opportunity to view the resident nonpublic student count within the Certified Supplementary Weighting data collection. With the change in reporting supplementary weighting information within EASIER, the resident nonpublic student count is now available on a spreadsheet at this link: [http://educateiowa.gov/index.php?option=com\\_content&task=view&id=1431&Itemid=2411](http://educateiowa.gov/index.php?option=com_content&task=view&id=1431&Itemid=2411)

The link also includes spreadsheets showing the nonpublic student count by nonpublic school and by area education agency. A link can be found at the bottom of the page for the textbook services. Textbook services payments went to districts in mid-November. For more information, contact Paul Miller at [paul.miller@iowa.gov](mailto:paul.miller@iowa.gov) or 515.725.2252.

### DE Website Changes

Early next year, the DE will go through a conversion of its website's framework due to the Governor's call to improve the state's online presence to better meet the needs of all Iowans. Benefits to occur through the change include a more user-friendly, functional, secure website; a new Google custom search bar; new video display on homepage; and real-time links to DE Twitter and social media. The one drawback is that some of the URLs may change in the transition. It's possible that bookmarked or favorite links may take a user to a dead-end. Please be aware that this may happen, and we ask that you bear with us through this transition.

Upcoming Deadlines	
Juvenile Home Requests for Educational Program Services	12-1-12
School Budget Review Committee Application	12-1-12
First Semester Parental Claim Forms for Nonpublic Transportation Reimbursement Due	12-1-12
School Association Reporting	12-17-12
Juvenile Home Educational Program Budget	1-1-13
Last Date to Certify to the DE Reorganization or Dissolution Action Effective July 1	1-1-13