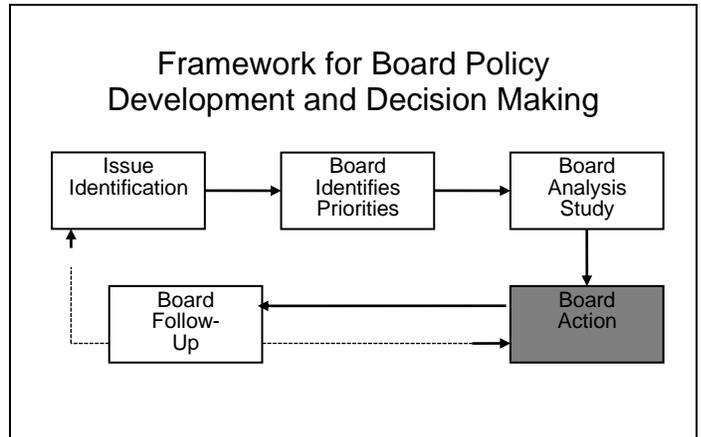


Iowa State Board of Education

Executive Summary

March 26, 2015



Agenda Item: Fiscal Year 2015-2016 Annual Budget Approval for Area Education Agencies (AEAs)

Iowa Goal: All PK-12 students will achieve at a high level.

State Board Role/Authority: Iowa Code section 273.3(12) authorizes the State Board to review the proposed budget of each AEA and 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.

Presenters: Jeff Berger, Deputy Director
Division of School Finance and Support Services

Attachments: 1

Recommendation: It is recommended that the Board approve the AEA budgets for fiscal year 2015-2016.

Background: Iowa Code section 273.3, subsection 12, requires that the Board review the proposed budget of each AEA and either grant approval or return the budget without approval with comments by May 1. The Board shall give final approval only to budgets submitted by AEAs accredited by the Board or that have been given conditional accreditation by the Board. All AEAs have been accredited for the 2014-2015 fiscal year.

Area Education Agencies

Financial Reporting and Budgeting

Proposed Budget, Fiscal Year 2015-16

Proposed Resources by Major Source, all Budgeted Funds
Resources by Major Source – Pie Chart

Proposed Expenditures by Function Category, all Budgeted Funds
Expenditures by Function Category – Pie Chart

Budget – Three-Year Comparison

Definitions

Budgeted Funds. AEAs and local school districts budget all funds except internal services, permanent, trust, and agency funds. Budgeted funds include the general fund, special education instruction fund, juvenile home program instruction fund, special revenue trust funds, other special revenue funds, capital projects funds, debt service fund, and proprietary funds such as nutrition.

Sources. “Sources” mean classifications of revenues and other financing sources from the original source/payer. The primary classifications are revenues from local sources, revenues from intermediate sources, revenues from state sources, revenues from federal sources, and receipts other than revenues. Local sources would include such things as property taxes from the controlled funding, interest, tuition, and sales of services to school districts and other AEAs. Intermediate sources include revenues from cities or counties. State sources would include such things as state aid from the controlled funding and state grants such as Parent Education for At Risk (0-3yrs of age). Federal sources include federal grants such as Title I, Carl D. Perkins Career & Technical Education Act and Dwight D. Eisenhower Math and Science grants. Long-term debt proceeds would include proceeds from loans and lease-purchases. Other financing sources would include sales or loss of fixed assets, and transfers from other funds.

Resources. “Resources” mean the sum of total Revenues, Other Financing Sources and Beginning Fund balance.

Function. “Function” means the major activities of the AEA and corresponds to those most frequently requested in reporting to external authorities. The AEAs expend the largest portion of their funding in the function areas of support services to students and support services to instructional staff.

**Proposed Resources by Major Source
All Budgeted Funds
Fiscal Year 2016**

AEA	Taxes (Controlled Funding)	Other Local Revenues	Intermediate Revenues	State Aid (Controlled Funding)	Other State Revenues	IDEA Federal Grant	Other Federal Revenues	Long-term Debt Proceeds	Other Financing Sources	Beginning Fund Balance	Total
1	6,300,885	1,592,853	-	6,704,477	1,538,278	7,997,011	438,601	-	-	1,206,474	25,778,579
5	6,223,184	1,939,912	-	6,994,586	2,615,312	7,818,106	435,237	-	152,390	2,627,437	28,806,164
7	12,225,923	9,708,505	70,000	14,780,405	4,634,037	15,332,763	1,014,150	-	552,000	5,591,367	63,909,150
9	8,874,147	2,388,776	40,727	10,998,752	2,518,911	10,944,025	616,099	-	416,453	112,159	36,910,049
10	12,591,796	6,588,100	-	15,811,291	4,318,625	14,951,000	1,394,485	-	-	11,934,484	67,589,781
11	23,161,016	4,163,492	-	30,947,947	6,516,788	28,166,920	373,923	-	3,000	8,708,440	102,041,526
12	7,892,810	1,293,117	72,000	9,083,988	2,800,537	10,222,616	915,000	-	-	3,334,058	35,614,126
13	7,115,137	2,744,768	-	8,838,271	2,614,730	10,390,160	564,770	-	-	2,290,130	34,557,966
15	6,520,695	1,438,548	-	8,256,211	1,942,748	9,369,158	25,000	-	213,961	3,792,068	31,558,389
Total	90,905,593	31,858,071	182,727	112,415,928	29,499,966	115,191,759	5,777,265	0	1,337,804	39,596,617	426,765,730

Percentage of Total

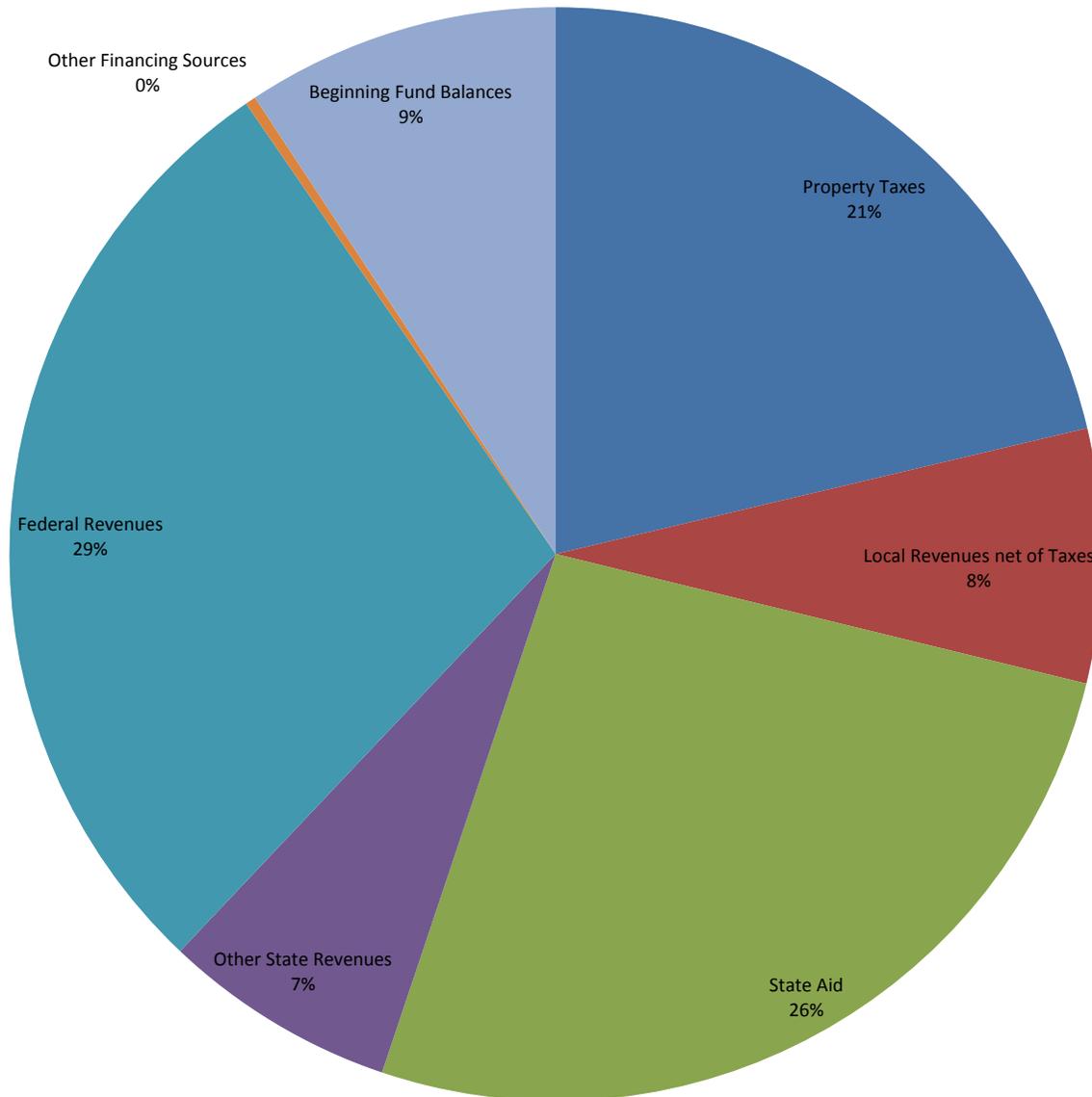
1	24.44%	6.18%	0.00%	26.01%	5.97%	31.02%	1.70%	0.00%	0.00%	4.68%	100.00%
5	21.60%	6.73%	0.00%	24.28%	9.08%	27.14%	1.51%	0.00%	0.53%	9.12%	100.00%
7	19.13%	15.19%	0.11%	23.13%	7.25%	23.99%	1.59%	0.00%	0.86%	8.75%	100.00%
9	24.04%	6.47%	0.11%	29.80%	6.82%	29.65%	1.67%	0.00%	1.13%	0.30%	100.00%
10	18.63%	9.75%	0.00%	23.39%	6.39%	22.12%	2.06%	0.00%	0.00%	17.66%	100.00%
11	22.70%	4.08%	0.00%	30.33%	6.39%	27.60%	0.37%	0.00%	0.00%	8.53%	100.00%
12	22.16%	3.63%	0.20%	25.51%	7.86%	28.70%	2.57%	0.00%	0.00%	9.36%	100.00%
13	20.59%	7.94%	0.00%	25.58%	7.57%	30.07%	1.63%	0.00%	0.00%	6.63%	100.00%
15	20.66%	4.56%	0.00%	26.16%	6.16%	29.69%	0.08%	0.00%	0.68%	12.02%	100.00%
Total	21.30%	7.47%	0.04%	26.34%	6.91%	26.99%	1.35%	0.00%	0.31%	9.28%	100.00%

* IDEA Federal Grant includes Part B flowthrough to LEAs of approximately \$24,000,000.

** Other financing sources include interfund transfers and proceeds from the disposition of fixed assets.

Resources by Major Source

Fiscal Year 2015-2016



**Proposed Expenditures by Function Category
All Budgeted Funds
Fiscal Year 2016**

*

AEA	Instruction	Student Support Services	Staff Support Services	Administration and Central Support Services	Plant Operation & Maintenance	Transportation	Other Support Services	Non-instructional Programs	Facilities Acquisition	Debt Service	Other Financing Uses	Ending Fund Balance	Total
1	292,461	9,858,422	7,544,355	4,677,172	853,223	500	-	58,510	-	-	1,508,280	985,656	25,778,579
5	1,215,000	16,178,483	2,376,231	4,739,131	643,483	-	303	104,707	-	152,390	1,680,820	1,715,616	28,806,164
7	10,457,321	19,119,094	11,761,132	9,676,006	2,017,289	299,059	504,172	186,952	540,000	-	3,673,053	5,675,072	63,909,150
9	1,320,286	17,864,846	9,004,996	4,258,419	1,219,075	-	22,237	-	-	416,453	2,803,737	-	36,910,049
10	4,439,251	18,564,928	17,388,198	9,385,586	1,083,103	-	7,000	679,619	-	-	3,280,000	12,762,096	67,589,781
11	3,594,259	39,145,015	26,811,475	15,953,261	1,412,438	4,753	142,516	239,045	-	-	6,519,600	8,219,164	102,041,526
12	1,121,554	10,714,792	10,720,439	6,998,827	1,044,793	-	-	-	-	-	2,053,935	2,959,786	35,614,126
13	3,285,710	14,114,128	6,314,141	5,290,350	937,345	7,100	540,468	115,304	-	-	1,875,304	2,078,116	34,557,966
15	2,771,907	11,024,117	6,253,917	4,442,659	981,260	1,000	-	607,698	-	205,960	1,983,286	3,286,585	31,558,389
Total	28,497,749	156,583,825	98,174,884	65,421,411	10,192,009	312,412	1,216,696	1,991,835	540,000	774,803	25,378,015	37,682,091	426,765,730

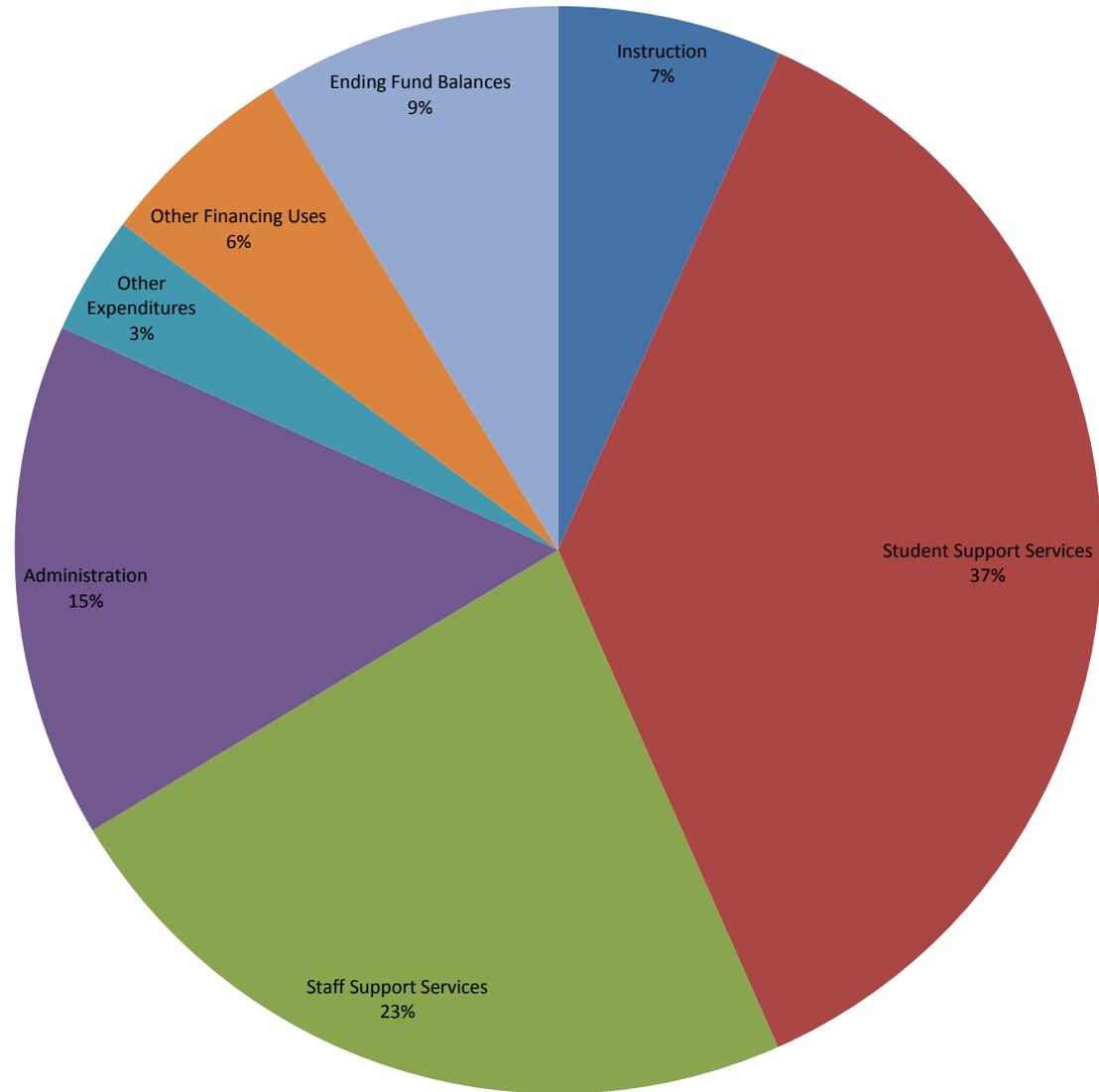
Percentage of Total

1	1.13%	38.24%	29.27%	18.14%	3.31%	0.00%	0.00%	0.23%	0.00%	0.00%	5.85%	3.82%	100.00%
5	4.22%	56.16%	8.25%	16.45%	2.23%	0.00%	0.00%	0.36%	0.00%	0.53%	5.83%	5.96%	100.00%
7	16.36%	29.92%	18.40%	15.14%	3.16%	0.47%	0.79%	0.29%	0.84%	0.00%	5.75%	8.88%	100.00%
9	3.58%	48.40%	24.40%	11.54%	3.30%	0.00%	0.06%	0.00%	0.00%	1.13%	7.60%	0.00%	100.00%
10	6.57%	27.47%	25.73%	13.89%	1.60%	0.00%	0.01%	1.01%	0.00%	0.00%	4.85%	18.88%	100.00%
11	3.52%	38.36%	26.28%	15.63%	1.38%	0.00%	0.14%	0.23%	0.00%	0.00%	6.39%	8.05%	100.00%
12	3.15%	30.09%	30.10%	19.65%	2.93%	0.00%	0.00%	0.00%	0.00%	0.00%	5.77%	8.31%	100.00%
13	9.51%	40.84%	18.27%	15.31%	2.71%	0.02%	1.56%	0.33%	0.00%	0.00%	5.43%	6.01%	100.00%
15	8.78%	34.93%	19.82%	14.08%	3.11%	0.00%	0.00%	1.93%	0.00%	0.65%	6.28%	10.41%	100.00%
Total	6.68%	36.69%	23.00%	15.33%	2.39%	0.07%	0.29%	0.47%	0.13%	0.18%	5.95%	8.83%	100.00%

* Other financing uses include Part B flowthrough to LEAs. Interfund transfers are also included.

Expenditures by Function

Fiscal Year 2015-2016



Budget - Three-Year Comparison All Budgeted Funds

	Proposed Budget, Fiscal Year FY16	Re-estimated Fiscal Year FY15	Actual Fiscal Year FY14
Revenues and Other Financing Sources plus Beginning Balance:			
Taxes (Controlled Funding)	90,905,593	89,625,740	86,915,735
Other Local Revenues	31,858,071	34,215,545	31,381,204
Intermediate Revenues	182,727	267,727	366,201
*State Aid (Controlled Funding)	113,796,788	97,182,235	92,008,832
Other State Revenues	28,119,106	28,926,048	27,442,844
IDEA Federal Grant	115,191,759	116,882,338	113,268,800
Other Federal Revenues	5,777,265	6,205,372	5,474,255
Long-term Debt Proceeds	-	473,087	-
Other Financing Sources	1,337,804	6,052,331	4,391,391
Beginning Fund Balance	39,596,618	48,295,556	54,743,739
Total	426,765,731	428,125,979	415,993,001
Expenditures and Other Financing Uses plus Ending Balance:			
Instruction	28,497,749	27,863,510	24,878,275
Student Support Services	156,583,825	149,556,494	143,021,543
Staff Support Services	98,174,884	100,315,411	92,358,242
Administration and Central Support Services	65,421,411	64,077,698	61,848,168
Plant Operation & Maintenance	10,192,009	10,179,640	9,698,824
Transportation	312,412	304,064	136,347
Other Support Services	1,216,696	1,215,727	1,153,318
Non-instructional Programs	1,991,835	1,963,928	1,941,632
Facilities Acquisition	540,000	2,633,875	2,605,668
Debt Service	774,803	3,824,542	1,665,059
Other Financing Uses	25,378,015	26,594,472	28,390,370
Ending Fund Balance	37,682,092	39,596,618	48,295,556
Total	426,765,731	428,125,979	415,993,001

* AEA Controlled funding reflects current law.