



FY19 Inaugural Release

The Elementary and Secondary Education Act of 1965, as reauthorized by Every Student Succeeds Act (ESSA), requires all state education agencies and local education agencies to report school-level per pupil expenditure data. Department of Education staff worked with districts across the state and the Department's School-Level Reporting Advisory to develop and implement [Statewide School-Level Financial Coding Practices](#) beginning with FY19 reporting. FY19 (July 1, 2018 – June 30, 2019) reflects spending during the 2018-2019 school year.

Per pupil expenditure amounts, while informative, provide an incomplete framework in which to understand district and school expenditure levels. A wide range of per pupil expenditure values exist as the result of a multitude of district and school differences statewide. This document works to identify a number of those district-to-district and school-to-school dissimilarities and to provide examples of the types of expenditures impacted by those differences.

District Variances

School districts in Iowa are comprised of distinct characteristics which may impact per pupil expenditure amounts. A number of differences and related examples of the impact on expenditures are provided below.

- Average Daily Membership (ADM) – Districts with higher ADM values (pupil counts) will have costs spread over more students which may decrease per pupil amounts. District ADMs range from 51 to 30,595.
- Salary schedules – Statewide, employee salary and benefit costs comprise approximately 80 percent of district General Fund expenditures. This value changes based on the district's salary schedule, which is influenced by years of experience (tenure) and education level.
- Geographic size – A small/large geographic area may decrease/increase per pupil transportation costs.
- Pupil density – Densely/Sparsely populated areas may decrease/increase per pupil transportation costs.
- Enrollment changes – Enrollment increase/decrease may impact per pupil spending as districts work to modify logistics to "right-size" the district (e.g., staff ratio and class sizes).
- Local coding practices – Each district was given the authority to make a number of local decisions regarding expenditure coding practices which may impact cost allocations.
- Revenue sources – Local efforts, planning, and programming may increase revenue sources (e.g., bond issue).
- Composition of students served – Actual students served by each district may not equal the population of resident students (e.g. whole grade sharing, open enrollment in/out, and tuitioned in/out)
- Construction – There are a number of districts across the state engaging in remodeling or new construction efforts which may temporarily elevate spending levels.



School Variances

Districts serve their unique student composition through a variety of settings, programs, staff makeup and ratios, and logistical environments. These variances can produce wide ranges in per pupil spending. A number of these differences and how they impact per pupil expenditure values are provided below.

- Unique or expanded programming – May cost more than regular instructional programs (e.g., block scheduling and construction trade program).
- Building size and building age – Older, larger buildings may cost more to maintain.
- Specially funded programs – A number of programs provided by schools are attached to specific revenue sources. This revenue is meant to supplement (add to) existing funding which means it should cost more to educate a student participating in the specially funded program than an average student not participating in the program (e.g., English Language Learner (ELL) and at-risk/dropout program participants).
- Staff ratios and classroom sizes – Lower staff to student ratios and smaller class sizes may result in higher spending per pupil.
- Average Daily Membership (ADM) – Schools with higher ADM values (pupil counts) will have costs spread over more students. School ADM values range from 20 to 2,146.
- Teacher tenure and teachers with master’s degrees – Higher tenured (years of experience) teachers and teachers with higher education levels are more advanced on the salary schedule. Teacher experience ranges from one to 43 years. The percent of teachers with master’s degrees at a school range from zero percent to 100 percent.
- Activity programs – The majority of student activity program (e.g., extracurricular and co-curricular activities) costs are incurred at the high school level.
- Technology – Some districts elect to provide a 1:1 technology environment – meaning they pay for each student to have a digital device on which to learn. This is an added and ongoing cost for some districts.
- Revenue sources – Unique student populations and programming may drive additional revenue to a school (e.g., Title and special education programs).
- Grades served – The Department does not require standard alignment of grades served at any instructional level. One district may have three elementary schools which all serve grades Kindergarten (K)- 6 while another district may also have three elementary schools with one serving K-1, another serving 2-3, and the final serving 4-5. Across the state, there are middle schools starting as early as grade 5 and as late as grade 8; there are high schools that start as early as grade 7 and as late as grade 10.

Potential Revenue Sources

The amount districts have available to spend is impacted by the revenue received and their level of spending authority. Revenue sources and amounts vary based on multiple factors including, but not limited to, the following: district choice (e.g., bond issuance and levies), actual district costs (e.g., transportation equity payments), actual district services (e.g., programs), and



student populations served (e.g., ELL program participants). Examples of possible district and/or school revenue sources are provided below.

- State aid payments
 - District cost per pupil
 - Transportation equity payments
 - Specially funded programs (e.g., ELL, special education, and at-risk/dropout prevention)
 - Categorical funding (e.g., talented and gifted, professional development, teacher salary supplement (TSS), and teacher leadership supplement (TLC))
 - Supplementary weighting
 - Operational sharing
 - Concurrent enrollment
 - Whole grade sharing
 - Joint employment
- Other local, state, or federal grants and payments (e.g., Early Literacy Implementation grant, Title funding, Perkins funding, National School Lunch Program, and Federal Emergency Management Funds (FEMA))
- Local tax levies (e.g., Cash Reserve Levy, Physical Plant & Equipment Levy (PPEL), and Management Fund Levy)
- Transportation fees for optional services
- Enterprise operations (e.g., construction program and student farm)
- Local bond issuance
- Tax payments (e.g., property tax and SAVE sales tax)
- Enrollment makeup (e.g., tuition payments for open enrolled students)
- Nonpublic school transportation and textbooks
- Student activity program (e.g., fundraising and gate revenue)
- Donations from private sources (e.g., fundraising, United Way, and Food Bank)
- Sale of assets (e.g., unused school building, surplus equipment, and home constructed from student construction trade program)
- Sale of services (e.g., sale of staff time to other entity)
- Rental income (e.g., income from renting out district space to community groups)
- Interest revenue
- Flowthrough to Area Education Agency
- Other revenue

Questions regarding statewide per pupil expenditure reporting implementation may be directed to [Kassandra Cline](#) (515-281-4738).

Questions regarding variances within a specific district should be directed to the individual [district](#).