**RSAI Position Paper**

**Operational Sharing Incentives: A 2017 Legislative Priority**

**Background:** Operational sharing incentives were extended during the 2014 legislative session in [HF 2271](https://www.legis.iowa.gov/legislation/BillBook?ga=85&ba=HF2271). Changes were made to both the positions covered and the amount of funding received by districts beginning with the 2013-14 school year and through the 2018-19 school year. School Counselors and Curriculum Directors were added to the positions covered. Funding was changed from a per student amount to a fixed amount per position. The funding is a level amount for five years. The fixed amount per position is as follows: Superintendent - 8 students, Human Resources, Business Manager, Operations and Maintenance, and Transportation - 5 students, and Counselors and Curriculum Directors – 3 students. Total additional students generated per district cannot exceed 21 (total of $138,411 per district in FY 2017 dollars). The Fiscal Note estimated a maximum of $46.5 million in FY 2016, of which $40.8 million would be state aid and $5.7 million funded through local property tax. The FY 2017 actual supplementary weighting, equal to 2,815 students, is an estimated $18.6 million, well below the total capacity estimated. 160 school districts utilize these sharing incentives.

**Current Reality:**

* Sharing incentives create the capacity for districts to discuss efficiencies that may not otherwise be politically viable. The incentives promote good working relationships with neighboring districts and help smaller districts continue to meet accreditation demands with limited general fund resources. Sharing also allows expertise to be concentrated in positions and provides more oversight and capacity for complying with Iowa laws.
* The amount of weighting, especially for those positions generating 3 students, may not be sufficient to justify sharing.
* Since the time frame for sharing is only five years, it provides less incentive for a district to engage in sharing in years two through five when the incentive is limited to a shorter time period.
* Although districts may share other positions, there are no incentives available for those positions.
* This program has been a life line for rural school districts, especially those with declining enrollment, during several years of low per pupil funding increases in the formula.

**RSAI calls on the Iowa Legislature to maintain a commitment to and extend the timeline for** **Operational Sharing:** Opportunities to achieve efficiencies, share capacity to operate, and redirect resources to educational programs, should be maintained and expanded to provide additional capacity to school districts to improve educational outcomes for students. Additionally, sharing of school superintendents is economically and educationally advantageous and should be allowed to continue without a time limitation.