

RESOLUTION OF THE RURAL SCHOOL ADVOCATES OF IOWA AFFIRMING FUNDING EQUALITY THROUGH THE IOWA EDUCATION FOUNDATION FORMULA

WHEREAS the Iowa Legislature and Governor annual set the state cost per pupil which determines the amount of revenue available to school districts to invest in the education of Iowa's students,
WHEREAS 172 of Iowa's school district have been historically granted spending authority in addition to the state cost per pupil, as much as \$175 per student, yet 165 Iowa schools districts are prohibited from accessing that spending authority and effectively capped at the state cost per pupil,
WHEREAS local property taxes in the 172 districts with the additional spending authority are the sole source of funding for those additional resources,
WHEREAS historical spending patterns of school districts over four decades ago are the basis for this unequal revenue per student and do not reflect student or district needs today,
WHEREAS the per pupil inequality respects no borders, creating capacity inequities in districts which neighbor each other, contributing to open enrollment challenges for districts with lower capacity and challenging student needs,
WHEREAS the state has a vested interest in promoting and supporting equality and fairness in its school funding formula,
WHEREAS all school districts have faced recent years of record low funding increases, so any state fix to this problem must attend to the needs of all districts without further disadvantaging the 172 districts that have depended on this additional authority,
WHEREAS the cost to the state of fixing this per pupil inequality is close to \$80 million and the Legislative Services Agency estimated FY 2015 revenues exceeded the Revenue Estimating Conference estimate by more than \$80 million,
WHEREAS another major inequity in school funding is school transportation costs, with school transportation mandated by the state, but paid out of the school foundation formula without consideration for the number of students transported, the number of route miles traveled, or the difficulty of terrain based on geography of school districts,
WHEREAS the cost of school transportation per student enrolled varies from a low of \$41 per enrolled student to a high of \$1,037 per enrolled student, according to the DE's 2014 Annual Transportation Report,
WHEREAS the estimated cost to the state of creating a transportation supplement to attain equity is estimated at close to \$25 million,
WHEREAS having replenished cash reserves since the great recession and corresponding across-the-board cuts in the late 2000s, local school districts have cash balances statewide totaling over \$680 million,
WHEREAS local schools boards are best able to balance the needs of local taxpayers, their communities and students,

BE IT THEREFORE RESOLVED:

The Iowa State Legislature should strive to further understand and propose solutions beginning in FY 2016 to the per pupil inequality in the school funding formula and school transportation expenditure inequities, which ultimately must be resolved with state funding.

If the state amount of funds needed to attain equality exceeds the amount legislators are willing to appropriate in one year, the funds to gain equality could be phased in over several years,
Local school boards should have the authority to use cash reserves to fund these per pupil inequalities until the state is capable of appropriating sufficient funds to solve the problem statewide.

BE IT FURTHER RESOLVED, we direct our leadership group secretary to send a copy of this resolution to our legislators, to communicate our strong urgency that these inequalities be addressed without further delay.

Approved this day, October 27, with the following leadership group members voting in favor:

Bob Olson, Chair

Kevin Fiene, Vice Chair

Gregg Cruickshank, Secretary

Brad Breon, Member

Brian Rodenberg, Member

Dan Smith, Member