



## Budget Unit: Instructional Support Program

BU Number: 28209040001

### Program Overview

The Instructional Support Program was created during the 1989 Legislative Session with enactment of HF 535 (School and Area Education Agency Financing Act) with implementation of the Program beginning in FY 1992. The Program allows districts to increase their general fund budgets by up to 10.0% of the total regular program district cost. Districts may implement the Program for a five-year duration with local board approval (subject to a reverse referendum) or 10 years with voter approval.

### Funding

Funding for the Program is formula based and includes:

- State aid based on an Instructional Support Program funding formula.
- Local taxes including property taxes or a combination of property taxes and an income surtax.

The formula provides that State aid be distributed equitably so that districts with relatively higher property tax valuations receive less State funding in relation to districts that have relatively lower property tax valuations per pupil. However, since FY 1993, the State aid appropriation for the Instructional Support Program has been capped and the State aid portion of the formula has not been fully funded. Because school districts are not allowed to levy for the unfunded State aid portion, this results in a disparity in the level of funding school districts receive with property-rich districts receiving a higher level of funding compared to property-poor districts.

### Instructional Support State Aid: Annual Appropriation Cap

Funding for the Program includes a State General Fund standing appropriation of \$14.8 million. However, that amount has been reduced each year since FY 2004 and has been held at \$0 since FY 2012. Beginning in FY 2016, the State General Fund appropriation is slated to return to \$14.8 million. **Chart 1** (on the following page) provides the funding amounts for the Instructional Support Program since FY 1992. The adjusted State aid amount reflects the amount of State aid appropriated for the Program.

### Related Statutes

Iowa Code sections [257.18](#) - [257.26](#)

### More Information

[Issue Review - Instructional Support Funding Inequities](#)

[LSA K-12 Funding Information](#)

[Legislative Services Agency Education Finance Legal Guide](#)

Iowa General Assembly: <https://www.legis.iowa.gov/>

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**Chart 1**  
**Instructional Support Program Funding FY 1992 through Estimated FY 2015**

Fiscal Year	Total Program Cost	Unadjusted State Aid	Income Surtax	Property Tax	Adjusted State Aid	Total Adjusted Funding	Unfunded State Aid Portion
1992	\$ 47,514,612	\$ 12,507,656	\$ 10,610,537	\$ 24,396,419	\$ 12,507,656	\$ 47,514,612	\$ 0
1993	59,563,103	15,295,323	14,787,371	29,480,409	14,798,225	59,066,005	497,098
<b>1994</b>	<b>67,256,618</b>	<b>17,464,830</b>	<b>16,612,565</b>	<b>33,179,223</b>	<b>14,798,227</b>	<b>64,590,015</b>	<b>2,666,603</b>
1995	76,605,858	20,119,685	18,661,622	37,824,551	14,798,227	71,284,400	5,321,458
1996	83,045,396	21,652,580	20,334,907	41,057,909	14,798,220	76,191,036	6,854,360
<b>1997</b>	<b>91,952,640</b>	<b>24,079,753</b>	<b>24,605,939</b>	<b>43,266,948</b>	<b>14,798,222</b>	<b>82,671,109</b>	<b>9,281,531</b>
1998	103,967,187	26,964,335	31,165,860	45,836,992	14,798,222	91,801,074	12,166,113
1999	112,088,509	28,935,618	33,770,990	49,381,901	14,798,225	97,951,116	14,137,393
<b>2000</b>	<b>119,232,505</b>	<b>30,727,572</b>	<b>38,144,264</b>	<b>50,360,669</b>	<b>14,798,223</b>	<b>103,303,156</b>	<b>15,929,349</b>
2001	127,997,741	33,046,406	36,273,229	58,678,106	14,798,227	109,749,562	18,248,179
2002	143,367,292	37,377,754	42,063,966	63,925,572	14,798,227	120,787,765	22,579,527
<b>2003</b>	<b>155,793,265</b>	<b>40,799,075</b>	<b>47,141,637</b>	<b>67,852,553</b>	<b>14,789,189</b>	<b>129,783,379</b>	<b>26,009,886</b>
2004	162,954,777	42,876,559	46,888,458	73,189,750	14,798,200	134,876,408	28,078,359
2005	174,605,671	45,683,883	51,958,735	76,963,053	14,428,247	143,350,035	31,255,636
<b>2006</b>	<b>185,511,936</b>	<b>48,618,552</b>	<b>57,824,212</b>	<b>79,069,172</b>	<b>14,428,238</b>	<b>151,321,622</b>	<b>34,190,314</b>
2007	201,261,100	53,302,216	64,699,884	83,259,000	14,428,268	162,387,152	38,873,948
2008	216,304,753	57,537,690	70,068,454	88,698,609	14,428,264	173,195,327	43,109,426
<b>2009</b>	<b>227,543,286</b>	<b>60,653,462</b>	<b>76,228,604</b>	<b>90,661,220</b>	<b>14,428,246</b>	<b>181,318,070</b>	<b>46,225,216</b>
2010	241,227,621	64,457,860	81,708,675	95,061,086	13,103,950	189,873,711	51,353,910
2011	249,717,705	67,149,646	84,302,509	98,265,550	7,499,936	190,067,995	59,649,710
<b>2012</b>	<b>254,023,435</b>	<b>68,466,052</b>	<b>85,171,536</b>	<b>100,385,847</b>	<b>0</b>	<b>185,557,383</b>	<b>68,466,052</b>
2013	260,389,230	70,492,294	85,667,381	104,229,555	0	189,896,936	70,492,294
2014	275,253,716	75,255,294	85,521,643	114,476,779	0	199,998,422	75,255,294
<b>Est. 2015</b>	<b>292,288,599</b>	<b>80,832,538</b>	<b>91,988,125</b>	<b>119,467,936</b>	<b>0</b>	<b>211,456,061</b>	<b>80,832,538</b>

Notes:  
 Data displayed is based on Department of Management Aid and Levy Worksheets and does not reflect any adjustments made during the fiscal year (such as across-the-board reductions).  
 Unadjusted State aid is the total amount of State aid required to fully fund the State aid portion of the Instructional Support Program formula.  
 Adjusted State aid is the amount of State aid funding appropriated for the Instructional Support Program.  
 In FY 2010, there were no State aid dollars appropriated from the State General Fund. However, American Reinvestment and Recovery Act (ARRA) Education Stabilization funding totaling \$13.1 million was used in lieu of State aid.  
 The FY 2011 adjusted State aid total was \$7.5 million with funding appropriated from the School Infrastructure Fund in lieu of General Fund dollars.  
 In FY 2012 through FY 2015, there was no State funding appropriated for the Program.

Sources:  
 Iowa Department of Management, School aid files  
 LSA calculations