

Board of Directors Board Meeting Minutes



April 8, 2025

BOARD MEETING

Ms. Liz Brennan, board president, called the Heartland AEA Board of Directors meeting to order at 4:02 p.m.

Board Members Present: Ms. Margaret Borgen, Ms. Liz Brennan, Mr. Pete Evans, Ms. Tiara Mays-Sims, Dr. Steve Rose, Ms. Margie Schwenk and Ms. Heather Sievers. *Absent:* Mr. John Kinley and Mr. Alex Piedras.

Administrative Staff Present: Mr. Kevin Fangman, Dr. Susie Meade, Ms. Jenny Ugolini, Dr. Kristi Upah, Mr. Brian Whalen and Dr. Cindy Yelick.

Approval of Agenda

A MOTION was made by Dr. Rose and seconded by Ms. Schwenk to approve the agenda. The motion passed unanimously.

Approval of Minutes from March 11 and 25, 2025

A MOTION was made by Dr. Rose and seconded by Ms. Sievers to approve the minutes from March 11 and 25, 2025. The motion passed unanimously.

Public Forum and Correspondence

No one from the public was present to speak to the Board.

Discussion Items

AEA Funding Overview

Mr. Brian Whalen, Heartland AEA Director of Business Services, discussed the impact of federal funding on AEA budgets. In FY25, federal revenues made up 36.9% of the Agency's budget, and in FY26, it will be around 42%. Dr. Cindy Yelick, Heartland AEA Chief Administrator, shared that the state of Iowa has submitted a waiver for the federal block grants, which would create one funding stream for districts to use and apply for federal funds. The state believes this could reduce administrative expenses and drive funds closer to students.

Legislative Update

Dr. Yelick provided a legislative update.

- Supplemental State Aid (SSA) was set at 2%, with some additional money provided in the bill for transportation equity for districts.
- The operational sharing cap was increased from 21 to 25. This will allow districts to enter more sharing agreements with AEAs.
- The Governor's math curriculum bill passed. It does not include any additional funding for implementation.
- Toward the end of the legislative session, they will determine AEA appropriations. There's hope that the current amount of deappropriations will not increase.
- The Iowa Department of Education will develop guidance on the personal device (cell phone) bill.

Management Staff 2025-26 Compensation (Certified Non-Union)

Mr. Kevin Fangman, Heartland AEA Chief Human Resources Officer, shared the recommended salary increases for agency Management staff. Last year their salaries were frozen. For 2025-26, a \$3,000 compensation increase (2.1%) for Management staff is recommended. For Agency Planning Council members, a 1.64% increase for 2025-26 is proposed. The Agency has reduced the number of administrators on staff by over 40%, so they will be picking up additional work.

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Classified Staff 2025-26 Compensation

Mr. Fangman shared the compensation recommended for Classified staff, which includes a 2.97% increase in salaries and wages. This would be a 2.5% total package increase.

Management Staff Contract Language Changes

Mr. Fangman highlighted changes in the Management contracts for licensed and non-licensed managers. This is for Board awareness and isn't an action item. He went through the changes with the Board, noting items that were deleted, added or changed to provide better clarity. All of the changes were vetted by legal counsel.

Sharing Agreement between Heartland AEA and Grant Wood AEA

Dr. Yelick discussed the sharing agreement for a chief administrator between Heartland AEA and Grant Wood AEA.

- The term begins July 1, 2025, and goes through June 30, 2026, with an option to roll it over another year.
- Grant Wood AEA will hold the individual contract, and Heartland AEA will pay Grant Wood for half the contract.
- Both agencies will manage the agreement through their business office administrators.
- The agreement will be reviewed every 6 months.
- Legal counsel has reviewed the contract and its standard language.
- The agreement includes a mutual indemnification clause to ensure both parties are protected.
- If the sharing agreement dissolves, Dr. Meade will return to Heartland AEA as the Chief Academic Officer.

Health Reimbursement Arrangement (HRA) Plan Amendment

Mr. Whalen discussed with the Board extending the HRA Plan Amendment through Sept. 1, 2026. The extension would allow any employee who leaves the Agency in good standing, and who has an HRA balance of over \$500, to spend the money within 5 years. It's a benefit to employees, and there is no cost to the Agency. Board members asked why the amendment was limited to 5 years. Mr. Whalen will follow up on whether or not the amendment must have a termination date.

Personnel Report

Mr. Fangman reviewed the personnel report and noted the new hires, resignations and retirements.

Action Items

Personnel Report

A MOTION was made by Mr. Evans and seconded by Ms. Sievers to approve the personnel report. The motion passed unanimously.

Management Staff 2025-26 Compensation (Certified Non-Union)

A MOTION was made by Dr. Rose and seconded by Ms. Sievers to accept the recommendation given to the Board that includes a \$3,000 salary increase for Management staff (Certified non-union). The motion passed unanimously. (A \$3,000 increase in salaries, which represents a 2.1% increase for most Management staff, and a 1.64% increase for APC members.)

Classified Staff 2025-26 Compensation

A MOTION was made by Dr. Rose and seconded by Ms. Borgen to accept the recommendation for the Classified staff compensation for 2025-26 of 2.97%. The motion passed unanimously.

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Sharing Agreement between Heartland AEA and Grant Wood AEA

A MOTION was made by Mr. Evans and seconded by Ms. Schwenk to approve the sharing agreement between Heartland AEA and Grant Wood AEA as presented to the Board. The motion passed unanimously.

28E Agreement for the Management and Operation of the Behavior Clinic Classroom (WDSM)

Dr. Yelick shared that, based on feedback from superintendents, the Agency will partner with West Des Moines CSD to open a behavior clinic. This would be a short-term placement for the challenging behavior team to work directly with a student, paraprofessionals and teachers to de-escalate students before transitioning them back to the classroom. The clinic would be located at Walnut Creek School, but it would be available to all districts. The clinic is not a disciplinary response; it's designed to create quality behavior plans with fidelity.

A MOTION was made by Dr. Rose and seconded by Ms. Sievers to approve the 28E sharing agreement with West Des Moines CSD. The motion passed unanimously.

Consent Agenda

Ms. Ugolini asked the Board to table item #4.04, the *Special Education Service Agreement between the Iowa Department of Corrections, Newton Correctional Facility and Iowa Correctional Institution for Women* from the consent agenda. The item was pulled, and it was not approved as part of the main motion. Historically, the AEAs have provided the educational component of the agreement, and there is a conversation happening with the Iowa Department of Education about whether the resident district is required to provide the educational component. It's an interpretation of the special programs side, and the Agency was asked to pause the agreement at this time.

Dr. Rose reviewed the Agency's financial statements. The financial statements are normal. Mr. Whalen noted that in early March, the Iowa Department of Education suggested that the Agency send its third quarter request early due to the possibility of a federal government shutdown. The funds were received in March, which causes the budget to look inflated.

A MOTION was made by Ms. Mays-Sims and seconded by Mr. Evans to approve the consent agenda, including payment of warrant numbers 422291 through 422389 and electronic warrant numbers 52658 through 53037, minus item #4.04. The motion passed unanimously.

- *Health Reimbursement Arrangement (HRA) Plan Amendment*
- *Order of Service Agreement between Carlisle CSD and Heartland AEA*
- *TABLED - Special Education Service Agreement between the Iowa Dept. of Corrections, Newton Correctional Facility, Iowa Correctional Institution for Women and Heartland AEA.*
- *2025-26 Service Agreement between Heartland AEA and Panorama CSD*
- *Central Rivers AEA and Heartland AEA 2025-26 Memorandum of Understanding Agreement*
- *Grant Wood AEA and Heartland AEA 2025-26 Memorandum of Understanding Agreement*
- *Great Prairie AEA and Heartland AEA 2025-26 Memorandum of Understanding Agreement*
- *Green Hills AEA and Heartland AEA 2025-26 Memorandum of Understanding Agreement*
- *Keystone AEA and Heartland AEA 2025-26 Memorandum of Understanding Agreement*
- *Mississippi Bend AEA and Heartland AEA 2025-26 Memorandum of Understanding Agreement*
- *Northwest AEA and Heartland AEA 2025-26 Memorandum of Understanding Agreement*
- *Prairie Lakes AEA and Heartland AEA 2025-26 Memorandum of Understanding Agreement*
- *Business Associate Agreement Between Heartland AEA and Cottingham & Butler Insurance Services, L.L.C.*

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Chief Administrator Comments

- Dr. Yelick and Mr. Whalen presented the Agency's annual budget to the State Board of Education on March 20. It has been approved and has met the statutory requirements.
- Certified Union contracts were due on April 7, and 443 out of 462 were turned in. Twenty-four positions have been posted to fill the gaps. Applications have already been received for the majority of the vacancies, but that does not mean they will all be viable.
- Dr. Yelick met with staff in the Indianola Regional Office to let them know the building is for sale by its owner. The Agency is working on finding a district classroom or something smaller.
- Districts had until the end of March to make requests for books and library materials for the 2025-26 school year. Less than half purchased the service, and today the Media Department was informed it would be reduced by three-fourths.
- Dr. Yelick has a meeting with four districts outside of the Heartland AEA area to discuss special education services.
- The Iowa Department of Education has been onsite this week for an accreditation visit, interviewing groups of staff and parents.

Board Member Comments

- Ms. Schwenk shared her concerns that rural districts in western Iowa are struggling with their budgets due to declining enrollment. There are so many things that schools need, and they already experience a bare-bones budget. She's worried they'll no longer be able to provide a quality education to students due to legislative changes that impact districts and the AEAs.
- Ms. Brennan shared a small token of appreciation with Dr. Yelick for her advocacy work on behalf of education and the students of Iowa.

There being no further business, the meeting was adjourned at 5:41 p.m.

Reports and documents and the full text of motions, resolutions or policies considered by the Board at this meeting are on file in the Board Secretary's office, (515) 473-6644, Monday through Friday, 7:30 a.m. – 4:00 p.m.

A handwritten signature in black ink that reads "Elizabeth Brennan".

Ms. Liz Brennan
Board President

A handwritten signature in black ink that reads "Jenny Ugolini".

Ms. Jenny Ugolini
Board Secretary