

THE SCHOOL ADMINISTRATOR

AND UNIFORM COMPLIANCE GUIDELINES
ISSUED BY STATE BOARD OF ACCOUNTS

Volume 206

June 2014

ITEMS TO REMEMBER

June

- 1 Prove the Fund Ledger and Ledger of Receipts for the month of May to the control of all funds and reconcile the control with the depository statement. Prove all receipt accounts for each fund to total receipts for that fund. Prove the Ledger of Appropriations, Allotments, Encumbrances, Disbursements, and Balances to the total disbursements of the control account of the Fund Ledger. Prove all expenditure accounts within each program to the total disbursements of that program.
- 20 Last day to report and make payment of state and county income tax withheld during May to the Department of Revenue.
- 30 Close out all payroll deduction clearing accounts. Balance and close the Fund Ledger and Ledger of Receipts for the school year and reconcile with depositories. Total the Ledger of Appropriations, Allotments, Encumbrances, Disbursements, and Balances (January 1 to June 30). Close the ledger for the school year and prove to the Fund Ledger.

School board members taking office in July, file certified copy of oath in the circuit court clerk's office of the county containing the greatest percentage of population of the school corporation. (IC 5-4-1-4)

July

- 1 Open a Fund Ledger and Ledger of Receipts for the next school year by entering the balance of each fund as determined and proved for June 30. Open a Ledger of Appropriations, Allotments, Encumbrances, Disbursements, and Balances for the next school year by entering in each program account the balance of unexpended appropriations, and by entering in each expenditure account within each program, the balance of the unexpended allotment.
- 4 Independence Day - Legal Holiday (IC 1-1-9-1)
- 20 Last day to report and make payment of state and county income tax withheld during June to the Department of Revenue.
- 31 Last day to submit Biannual Financial Report (Form 9) to the Indiana Department of Education.

Last day to file Employer's Quarterly Federal Tax Return (Form 941) with the Internal Revenue Service for federal and social security taxes for the second quarter.

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ITEMS TO REMEMBER (Continued)

August

- 1 Prove all ledgers for the month ending July 31 as outlined for the month of June.
- 15 Not earlier than August 1 or later than August 15 the secretary of the board of school trustees is to publish an annual financial report, one time, in accordance with IC 5-3-1. (IC 5-3-1-3(b))
- 20 Last day to report and make payment of state and county income tax withheld during July to the Department of Revenue.
- 29 Last day to submit Gateway Annual Report to the State Board of Accounts to complete the requirements of IC 5-11-1-4.

NOTE: See the September "The School Administrator and Uniform Compliance Guidelines" for budget dates or call the Department of Local Government Finance at 317-232-3777.

Prior to September 1 of each year, the superintendent of each school corporation shall cause to be made to the division of fire and building safety an inspection report of all heating systems and supporting fuel lines used for school purposes. (IC 20-26-7-28)

PROCUREMENT CARDS

We have received inquiries concerning the potential use of "procurement cards". We understand some of the intended benefits of procurement cards are to add controls as to where purchases can be made; limit values of each purchase; prevent overspending the budget items; institute parameters on purchases; possibly reducing paperwork; etc.

The State Board of Accounts will not take exception to the use of procurement cards by a governmental unit provided the following criteria are observed:

- (1) The governing board must authorize procurement card use through an ordinance or resolution, which has been approved in the minutes.
- (2) Issuance and use should be handled by an official or employee designated by the board.
- (3) The purposes for which the procurement card may be used must be specifically state in the ordinance or resolution.
- (4) When the purpose for which the procurement card has been issued has been accomplished, the card should be returned to the custody of the responsible person.
- (5) The designated responsible official or employee should maintain an accounting system or log which would include the names of individuals requesting usage of the cards, their position, estimated amounts to be charged, fund and account numbers to be charged, date the card is issued and returned, etc.
- (6) Procurement cards should be used in conjunction with the accounting system.

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- (7) Payment should not be made on the basis of a statement or a procurement card slip only. Procedures for payments should be no different than for any other claim. Supporting documents such as paid bills and receipts must be available. Additionally, any interest or penalty incurred due to late filing or furnishing of documentation by an officer or employee should be the responsibility of that officer or employee.
- (8) If properly authorized, an annual fee may be paid.
- (9) Procurement cards shall not be used to procure cash advances at "ATM" machines or as a debit card.
- (10) (A) An audit trail must exist for all transactions.
(B) An audit trail must also exist for changes made by an "administrator" such as card parameters, etc..
- (11) Access to transactions in accordance with the Public Records Law, IC 5-14-3-1 et seq. as appropriate must be assured.
- (12) Procurement card agreements should not contain references to debt.
- (13) Governmental units need to have available (if applicable) a copy of "SAS 70" audits of a sponsoring bank.

REIMBURSEMENTS BY HOLDING CORPORATIONS

Various occasions arise at the beginning of a construction project in which a school holding corporation will owe the school corporation certain amounts of money. The funds owed may be the result of the sale of land to the holding corporation or reimbursement for certain preliminary expenses of the project which had to be paid prior to the holding corporation receiving money from the sale of bonds.

The State Board of Accounts is of the audit position when these situations occur, the holding corporation must reimburse the school corporation as soon as the proceeds from the bonds sale have been received. We have noted that some holding corporations delay payment for the sale of land or for reimbursements until late in the project. Reimbursements should be one of the first items of business after the holding corporation receives money from the sale of bonds.

CASH CHANGE FUND

A Cash Change Fund may be established in any school corporation with the approval of the governing body (board of school trustees), where any officer or employee of the school corporation is charged with the duty of collecting fees or other cash revenues. Such Cash Change Fund when authorized by the governing body, shall be established by a check drawn on the General Fund of the school corporation in an amount to be determined by the governing body. The check is drawn in favor of the officer or employee who has been designated as custodian of the Cash Change Fund. The custodian shall convert the check to cash and be held responsible for the safekeeping of such cash and the proper accounting thereof in the same manner as required for other funds of the school corporation. The governing board shall have authority to increase or decrease such fund and shall require the entire Cash Change Fund to be returned to the General Fund if and when no longer needed for the purpose established or when a change is made in the custodian of the fund. (IC 36-1-8-2).

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IC 36-1-8-2 is particularly applicable in a school corporation where either a Textbook Rental Fund or School Lunch Fund, or both, are maintained as school corporation funds. A check is drawn on the General Fund for an authorized Cash Change Fund, then recorded as a disbursement in the General Fund.

Also, a Cash Change Fund must be opened in the Asset Accounts section of the Clearing Accounts in your ledger to establish a control for the amount of the cash until returned to the General Fund.

PUBLIC PURCHASES

We often receive inquiries regarding to how a school corporation can purchase supplies utilizing a State contract.

IC 4-13-1-1 states in part, (c) ". . . the following entities may, with the consent of the commissioner of the department of administration, use the services of the department: . . . (4) A political subdivision, as defined in IC 36-1-2-13."

IC 5-22-10-15(b) states, "A purchasing agent for a political subdivision may purchase supplies if the purchase is made from a person who has a contract with a state agency and the person's contract with the state requires the person to make the supplies or services available to political subdivisions, as provided in IC 4-13-1.6 or IC 5-22-17-9."

IC 5-22-17-9 states, "A contract entered into by a state agency may require the contractor to offer to political subdivisions the services or supplies that are the subject of the contract under conditions specified in the contract."

Please call the Department of Administration at 317-233-3901 for more information.

TRANSFER TUITION

School corporations should be aware of the option available for transfers between school corporations (please note, not cash transfers) as provided in IC 20-26-11-13 which states in part, "(h) Instead of the payments provided in subsection (b), the transferor corporation or state owing transfer tuition may enter into a long term contract with the transferee corporation governing the transfer of students. The contract may: (1) be entered into for a period of not more than five (5) years with an option to renew; (2) specify a maximum number of students to be transferred; and (3) fix a method for determining the amount of transfer tuition and the time of payment, which may be different from that provided in section 14 of this chapter."

IC 20-26-11-13 also states in part, "(i) A school corporation may negotiate transfer tuition agreements with a neighboring school corporation that can accommodate additional students. Agreements under this section may: (1) be for one (1) year or longer; and (2) fix a method for determining the amount of transfer tuition or time of payment that is different from the method, amount, or time of payment that is provided in this section or section 14 of this chapter."

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GATEWAY ANNUAL REPORT

Starting July 1, 2014, schools will be required to submit certain information in the state's Gateway system to fulfill the requirements of Indiana Code 5-11-1-4. The Gateway Annual Report requires different information than the annual report that is required to be published and sent to the Indiana Department of Education by IC 5-3-1-3. The Gateway Annual Report requires a representative from the school to be designated the "submitter" of the report. The person that the school designated as the "submitter" for the Gateway 100R report that was completed in January has been named the default "submitter" for the Gateway Annual report. Therefore, if this is not the person the school designates as the "submitter" for the Gateway Annual report, then they will need to contact annualreports@sboa.in.gov and notify them of the desire to name a different "submitter".

An email notification that the report was available for access was sent to the default "submitter" for each school on June 4th. If no one of at the school corporation received the email, then you will need to contact annualreports@sboa.in.gov and notify us who the school corporation has designated as the "submitter" of the Gateway Annual Report.

CHANGES TO GASB PENSION REPORTING TO IMPACT EMPLOYERS IN 2015

Significant pension reporting changes are coming from the Governmental Accounting Standards Board (GASB). These will affect employers participating in retirement plans administered by the Indiana Public Retirement System (INPRS). GASB Statement No. 68, Accounting and Financial Reporting for Pensions, was issued in June, 2012 and is effective for fiscal years beginning after June 15, 2014. This statement is an amendment to GASB Statement No. 27, Accounting for Pensions by State and Local Governmental Employers and GASB Statement No. 50, Pension Disclosures.

The new standards in GASB Statement No. 68 set different methods for pension funding and financial reporting. Historically, there has been a close relationship between how governments fund pensions and how they account and report information. However, the new guidance makes a clear shift from a funding-based approach to an accounting-based approach. This shift was designed to improve pension information and increase the transparency, consistency, and comparability of pension information across governments.

For GAAP basis employers, GASB Statement No. 68 will have a significant impact on financial statements. It requires GAAP basis employers to report their net pension liability (unfunded liability) in the financial statements. Calculation of pension expense will change, and deferred outflows / inflows of resources related to pensions will also need to be reflected in the financials. There will be substantial financial statement note disclosures and additional required supplementary information related to employer's participation in retirement plans administered by INPRS.

GASB Statement No. 68 doesn't apply to non-GAAP basis employers. The Indiana State Board of Accounts (SBoA) will provide direction with what will be required to be included with your annual financial statements.

Employers are encouraged to begin preparations for these changes. You can do so by discussing possible implications of these changes with preparers of your financial statements. Also, because GAAP basis employers' financial statements will be required to show their proportionate share of net pension liability, if applicable you may want to review debt covenants for possible violations resulting from these accounting changes.

INPRS plans to provide individual employers with their required financial reporting information and is currently analyzing the proposed changes. In early 2014, the GASB plans to issue an Implementation Guide for GASB Statement No. 68. The Implementation Guide and or the Statement may be downloaded at no charge or purchased in a hard copy format at the GASB's website www.gasb.org.

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CHANGES TO GASB PENSION REPORTING TO IMPACT EMPLOYERS IN 2015 (continued)

After the Implementation Guide has been issued, the INPRS and SBoA plan to have additional communications with you regarding the implementation of GASB Statement No. 68.

If you have any questions, please contact Dawn Anderson with the Indiana State Board of Accounts at dranderson@sboa.in.gov or (317) 232-2513.

GASB STATEMENT NO. 68 – ACCOUNTING AND FINANCIAL REPORTING FOR PENSIONS QUESTIONS AND ANSWERS

Q: Who is impacted by GASB Statement No. 68?

A: *GASB Statement No. 68 directly impacts GAAP basis (economic resources measurement focus and accrual basis of accounting) employers. Non-GAAP (regulatory, etc.) basis employers will be indirectly impacted as the Indiana State Board of Accounts (SBoA) will provide direction with what will be required to be included with your financial statements. Additionally, any employer may be subject to the audit of their payroll and census (birthday, sex, etc.) data by the Indiana Public Retirement System's (INPRS) auditor, regardless of their basis of accounting.*

Q: When is GASB Statement No. 68 effective?

A: *GASB Statement No. 68 becomes effective for fiscal years beginning after June 15, 2014 and is an amendment to GASB Statement No. 27. For most employers in the state of Indiana, the requirements of GASB Statement No. 68 will be effective for fiscal year ends ending June 30, 2015 or December 31, 2015.*

Q: Will GASB Statement No. 68 cause contribution rates to increase?

A: *No. GASB Statement No. 68 does not impact the funding policies of pension plans.*

Q: What are the primary requirements of GASB Statement No. 68?

A: *GASB Statement No. 68 significantly changes the accounting and financial reporting regarding pension plans for GAAP basis employers. Some of the primary changes impacting GAAP basis employers are:*

- *Employers are required to record their proportionate share of the net pension liability or asset in their financial statements.*
- *Changes the calculation of the pension expense to be reported by employers and requires the recording of deferred inflows and outflows of resources in their financial statements.*
- *Replaces many of the current note disclosures and required supplementary information to be provided in employer financial statements.*

Q: How are employers to obtain the required information to be reported?

A: *The Indiana Public Retirement System (INPRS) plans to prepare stand alone employer schedules of allocations and amounts, which should provide the required information by plan. The Indiana State Board of Accounts and INPRS plan to provide training and spreadsheets to assist employers. Details on how the stand alone employer schedules of allocations and amounts will be communicated are in process.*

Q: Will the testing of payroll and census data required by the recent AICPA Whitepaper have any impact on employers (see Whitepaper at: www.aicpa.org/interestareas/governmentauditquality/resources/gasbmatters/downloadabledocuments/aicpaslgep_cs_census_data_whitepaper.pdf)?

A: *Potentially yes. The auditor of INPRS will select a sample of employers from each defined benefit plan to test the payroll and census data provided by employers to INPRS. Employers could be contacted to assist with the audits of their census data as early as May of this year.*

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GASB STATEMENT NO. 68 – ACCOUNTING AND FINANCIAL REPORTING FOR PENSIONS QUESTIONS AND ANSWERS (continued)

Q: Where can employers obtain information about GASB Statement No. 68 and its implementation?

A: GASB has an implementation toolkit at:

www.gasb.org/jsp/GASB/Page/GASBSectionPage&cid=1176163527940

Q: Who do I contact with any questions?

A: If you have any questions, please contact Dawn Anderson with the Indiana State Board of Accounts at dranderson@sboa.in.gov or (317) 232-2513.

NEW LAWS AFFECTING SCHOOLS

The following is a digest of some of the laws passed by the 2014 Regular Session of the General Assembly affecting townships. Please note the effective dates. Some of the laws do not pertain directly to townships, but are included in the Digest for ready reference to the covered subject matter.

The digest is not intended as an expression of legal interpretations, nor is the digest intended to be all inclusive. References in the digest will be to the Indiana Code in the following form (Amends IC 12-20-9-6) (Amends Indiana Code, Title 12, Article 20, Chapter 9, Section 6). If you have any questions regarding legal interpretation, please consult your township attorney.

Public Law 30 – Senate Enrolled Act 85 – Effective July 1, 2014 **School resource officers**

Amends IC 10-21-1-4 and IC 20-26-18.2-1 - Permits the secured school safety board to award a matching grant for school resource officer training. Requires a school resource officer to be: (1) employed by a law enforcement agency; (2) appointed as a police reserve officer or special deputy; or employed as a school corporation police officer. Permits the Indiana law enforcement training board to approve school resource officer training programs.

Public Law 32 – Senate Enrolled Act 114 – Effective July 1, 2014 **Excused absences from school for state fair activities**

Adds IC 20-33-2-17.7 – Provides that the governing body of a school corporation or the chief administrative officer of a nonpublic school system shall authorize, for not more than five instructional days in a school year, the absence and excuse of each school student if the student or a member of the student's household participates or exhibits in the state fair. Requires the student that will receive the excused absences to be in good academic standing, as determined by the school.

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NEW LAWS AFFECTING SCHOOLS (continued)

Public Law 37 – Senate Enrolled Act 363 – Effective upon passage Complexity index calculation

Adds IC 20-33-5-7.5 and Amends IC 20-43-13-3 – Provides that the following apply in the case of a school corporation that does not request reimbursement from the state for providing free curricular materials to students: (1) The complexity index used in determining state funding is based on the percentage of the school corporation's students who were eligible to receive free curricular materials. (2) The school corporation shall estimate and report to the department of education the percentage of the school corporation's students who are enrolled in the school corporation and are eligible for such assistance. Authorizes the state board of education to adopt emergency rules to implement this provision.

Public Law 39 – House Enrolled Act 1079 – Effective July 1, 2013 (retroactive) Student transfers

Amends IC 20-26-11-32 – Provides that the governing body of a school corporation may authorize the school corporation to enter into an agreement with an accredited nonpublic school or charter school to allow students of the accredited nonpublic school or charter school to transfer to a school within the school corporation. Provides that a school corporation that has adopted a policy not to accept student transfers after June 30, 2013, is not prohibited from enrolling a member of a household in which any other member of the household was a transfer student who attended a school within the school corporation during the 2012-2013 school year. Provides that in the event a school corporation enrolls a transfer student or a member of the same household of a transfer student that attended a school corporation during the 2012-2013 school year, the school corporation shall also allow a student or member of the same household of a student who attended an accredited nonpublic school within the attendance area of the school corporation during the 2012-2013 school year to enroll in a school within the school corporation.

Public Law 41 – House Enrolled Act 1204 – Effective July 1, 2014 Various education and school matters

Adds IC 33-37-10-3.5; IC 34-30-28; and Amends IC 16-39-4-2; IC 16-39-4-3; and IC 20-33-2-46 – Provides that if the parent, guardian, or court appointed special guardian of a child enrolled in a school requests a health care provider to disclose certain mental health information to the child's school, the health care provider shall provide the child's school the information. Prescribes the manner in which the information must be released and requires a principal or school leader to sign a confidentiality agreement concerning the release of the information. Prohibits a superintendent or school leader from excusing or excluding a student who was found to be mentally or physically unfit for school attendance if a physician, psychologist, or psychiatrist certifies that the student is fit for school attendance. Provides that the witness fee for an employee of a school district is \$100. Provides civil immunity for a school, school employee, or school board for civil damages that are the result of: (1) an injury to a child or family members of a child if the injury is the result of a student's mental health issue that has not been disclosed to the school by the student's parent or guardian; or (2) referrals the school made or services the school offered concerning evaluations or treatment of the student's health.

Public Law 80 – Senate Enrolled Act 32 – Effective Upon passage Public official bonding

Adds Noncode Provision – Urges the legislative council to assign to an appropriate study committee the topic of the bonding of elected public officials.

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NEW LAWS AFFECTING SCHOOLS (continued)

Public Law 84 – Senate Enrolled Act 106 – Effective Upon passage Local government transparency

Amends IC 5-14-3.8-3; Adds IC 5-14-3.8-8; and IC 6-1.1-20.3-15 - Requires the department of local government finance (DLGF) to develop indicators of fiscal health for school corporations and other political subdivisions. Requires the DLGF to present information for evaluating the fiscal health of political subdivisions on the Indiana transparency Internet web site through conveniently and easily accessed dashboards. Prohibits the department of local government finance and other state agencies from using the fiscal health indicators to assign a school corporation or political subdivision a summative grade. Allows political subdivisions to request technical assistance from the distressed unit appeals board (DUAB) beginning in 2015.

Public Law 91 – Senate Enrolled Act 225 – Effective July 1, 2014 Various state and local financial matters

Amends IC 5-10-8-2.2; IC 5-10-8-2.6; and IC 5-10-8-6.6; – Eliminates local unit participation in the state employee health plan.

Public Law 102 – Senate Enrolled Act 332 – Effective July 1, 2014 State and local investments

Amends IC 5-13-9-2 – Provides that investments in municipal securities must have a stated final maturity of five years or less.

Public Law 120 – House Enrolled Act 1062 – Effective Upon passage Local government finance

Amends 5-1-5-2.5; Adds IC 6-1.1-17-22 – Provides that for all political subdivisions, the maximum amount allowed for an operating balance for a debt service fund is 50% of the budget estimate for annual debt service payments from the fund for debt originally incurred before July 1, 2014, including refinanced debt, and 15% on debt originally incurred after June 30, 2014.

Public Law 155 – Senate Enrolled Act 207 – Some effective upon passage and some July 1, 2014 School operating and referendum ballot language

Amends IC 20-46-1-8; IC 20-46-1-10; IC 20-46-1-13; IC 20-46-1-14; and IC 20-46-1-19 – Changes the language to be used on the ballot when a school corporation conducts a school general fund referendum. Removes the requirement that the department of local government finance must approve the ballot language proposed by a school corporation for a school general fund referendum. Provides that the county election board of the county or counties in which the school corporation is located must either approve or revise the proposed ballot language. Provides that if the county election board revises the ballot language, the governing body of the school corporation may request the Indiana election commission to review the county election board's decision. Provides that if the Indiana election commission does not act not later than 60 days before the election at which the public question is to be placed on the ballot, the county election board's language is the language used for the public question. Provides that if a majority of the voters do not vote in favor of a school general fund referendum, another referendum under the law may not be held for another 350 days.

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NEW LAWS AFFECTING SCHOOLS (continued)

Public Law 183 – House Enrolled Act 1266 – Effective July 1, 2014 **Local government finance issues**

Amends IC 6-1.1-17-13; IC 6-1.1-17-16; and IC 36-8-19-8 – Requires a political subdivision to submit to the DLGF information concerning the adoption of budgets and tax levies using the DLGF's computer gateway. Provides that publication requirements in current law continue in 2014 for 2015 budgets (along with the new requirements added in the bill concerning submission of budget and levy information to the DLGF's computer gateway). Requires the DLGF to make this information available to taxpayers through its computer gateway and provide a telephone number through which taxpayers may request copies of a political subdivision's information. Specifies that for taxes due and payable in 2015 and 2016, each county shall publish a notice stating the Internet address at which the budget information is available and the telephone number through which taxpayers may request copies of a political subdivision's budget information. Allows counties to seek reimbursement from the political subdivisions in the county for the cost of the notice. Provides that if a political subdivision timely submits the budget information to the DLGF's computer gateway but subsequently discovers the information contains a typographical error, the political subdivision may request permission from the DLGF to submit amended information.

Public Law 36 – Senate Enrolled Act 344 – Effective July 1, 2014 **School building safety**

Adds IC 20-19-3-14 – Establishes the division of school building physical security and safety (division) within the department of education. Provides that the division carries out certain responsibilities related to the school safety specialist training and certification program, establishing emergency protocols, and establishing guidelines for using professional services to integrate physical security improvements and safety practices in the construction, renovation, repair, or alteration of school facilities.

Public Law 40 – House Enrolled Act 1181 – Effective July 1, 2014 **Career and technical education centers**

Amends IC 5-2-10.1-6; IC 5-2-10.1-7; 5-2-10.1-10; IC 5-2-10.1-12; IC 6-1.1-20-1.1; IC 10-21-1-1; IC 20-49-4-1; IC 20-49-4-7; IC 20-49-4-9; IC 20-49-4-18; and IC 20-49-4-19 – Provides that a school corporation career and technical education center may receive a grant from the Indiana safe schools fund. Provides that a school corporation career and technical education school may apply for a matching grant from the Indiana secured school fund. Provides that a school corporation career and technical education center may receive an advance from the common school fund. Specifies that each member school corporation is considered to receive a proportionate share of the advance and is responsible for its proportionate share of the repayment based on the number of pupils the school corporation has attending the career and technical education center in the school year when the advance is made. Allows a school corporation career and technical education center to receive an advance even if the school corporation has an outstanding advance. Specifies, for purposes of the law relating to controlled project financing, that the project cost is not the total project cost but is to be allocated among the member school corporations based on pupils.

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NEW LAWS AFFECTING SCHOOLS (continued)

Public Law 42 – House Enrolled Act 1303 – Some effective upon passage and some July 1, 2014 Bus out-of-service certificates

Adds IC 20-24-7-14.5; Amends IC 20-27-3-5; IC 20-27-7-13; and IC 20-27-8-4 – Provides that the driver of a special purpose bus or school bus (bus) at the time of the inspection shall be notified of an out-of-service order and a copy shall be made available on the Internet web site of the state police department. (Current law provides that a copy of the out-of-service order is to be forwarded to the governing body of the school corporation that controls the operation of the bus.) Requires the state school bus committee to adopt and enforce rules that require that each school bus placed into service for the first time bear in black letter on the back of the school bus: (1) an indication that the school bus is required to stop at all railroad crossings; and (2) the name of the school corporation. Provides that an individual who is or intends to become a school bus driver must obtain a physical examination certificate from an individual who is registered in the Federal Motor Carrier Safety Administration's National Registry of Certified Medical Examiners. Provides that a school corporation shall determine how a certified medical examiner who is to conduct the physical examination is chosen and who must pay for the physical examination.

Public Law 43 – House Enrolled Act 1319 – Some effective upon passage and some July 1, 2014 Education matters

Adds IC 20-32-5-13.5; Amends IC 20-18-2-22; IC 20-19-3-9.4; IC 20-20-8-3; IC 20-28-7.5-8; IC 20-32-5-12; and IC 20-33-2-13 – Adds a school counselor to the definition of a teacher. Provides that a student's latest PSAT test results are included in the student's official high school transcript. Changes the date on which a school corporation's annual performance report must be published from between January 15 and January 31 to between March 15 and March 31. Requires the department of education (department) to disaggregate from the ISTEP program test results the percentage of students in each school and each grade who are identified as high ability students by the school corporation who achieved a score in the highest performance level designated for the ISTEP program test. Requires the department to assign unique identifiers for students whose parents are active duty members of the armed forces. Requires the department to develop a format for school corporations to publish, as part of the school corporation's annual report, the percentage of students in each school and each grade who are identified as high ability students and also achieved a score in the highest performance level designated for the ISTEP test. Requests the legislative council to assign certain topics to interim study committees. Changes the date, from August 15 to 14 days before the first day a teacher is required to report for duty, after which a contract entered into between a school corporation and a teacher is void if at the time of signing the contract the teacher is bound by a previous contract, unless the teacher provides a 30 day written notice to the first employer or the first employer releases the teacher from the previous contract.

Public Law 44 – House Enrolled Act 1321 – Effective upon passage Portfolio Schools

Adds IC 20-25.5 – Authorizes Indianapolis public schools to enter into an agreement with a school management team to establish innovation network schools in certain schools. Provides that certain schools may be reconstituted as innovation network schools.

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NEW LAWS AFFECTING SCHOOLS (continued)

Public Law 48 – House Enrolled Act 1064 – Effective upon passage Study of career and tech education programs

Amends IC 22-4.5-9-4 – Requires the Indiana career council to complete not later than August 1, 2014, a return on investment and utilization study of career and technical education programs in Indiana. Makes technical corrections.

Public Law 49 – House Enrolled Act 1213 – Some effective upon passage and some July 1, 2014 Career and tech education diploma

Adds IC 20-19-6-9; Amends IC 21-43-4-15 – Requires the Indiana career council to appoint a subcommittee that includes a member of each council and representatives of high school career and technical education programs, the department of education, community colleges, the commission for higher education, and industry to: (1) review the current Core 40 diploma course offerings; (2) make recommendations to the state board of education concerning changing course requirements, including the total number of academic credits required, changing the types of diplomas offered, and the need for a career and technical education diploma; and (3) examine and make recommendations concerning career and technical education offerings. Makes changes to the provision regarding the number of dual credit or advanced placement courses that must be provided by a high school. Provides that a student who is enrolled in a dual credit course must achieve at least a 2.0 on a 4.0 unweighted grading scale to enroll in subsequent related dual credit course work in the same subject area.

Public Law 192 – House Enrolled Act 1388 – Some effective upon passage and some July 1, 2014 Teacher quality preparation

Adds IC 20-28-3-.05; Amends IC 20-28-3-1; IC 20-28-4-4; IC 20-28-4-5; and IC 20-28-11.5-9 – Makes changes to the information a teacher preparation program must annually submit to the department of education (department). Requires certain additional information to be included on the department's Internet web site. Specifies that the department, the commission for higher education, the Independent Colleges of Indiana, Inc., and teacher preparation programs must establish a matrix rating system for teacher preparation programs. Provides that a transition to teaching program participant may obtain a license to teach in prekindergarten if the participant meets certain requirements. Requires principals and teachers to complete surveys concerning beginning teacher preparation.

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Public Law 139 – House Enrolled Act 1290 – Effective July 1, 2014 **Health of student athletes**

Adds IC 20-30-5-20; IC 20-34-8; IC 21-18-13; and IC 25-0.5-1-2.5; Amends IC 16-18-2-163 – Adds athletic trainers to the definition of "health care provider" for purposes of laws concerning hospitals and public health measures. Requires the department of education to disseminate guidelines, information sheets, and forms to school corporations, charter schools, public schools, and accredited nonpublic schools to inform and educate coaches, student athletes, and parents and legal guardians of student athletes of the nature and risk of sudden cardiac arrest. Requires that a form acknowledging receipt of the information sheet must be returned to the student athlete's coach each year before beginning practice for an athletic activity. Requires that a student athlete who is suspected of experiencing a symptom of sudden cardiac arrest must be removed from the athletic activity at the time the symptom is identified. Provides that the student athlete may not return to practice and play until the student athlete's parent or legal guardian has been informed and the parent or legal guardian has provided permission for the student to return to practice and play. Requires the commission on higher education to disseminate guidelines, information sheets, and forms to a postsecondary educational institution's athletic department to inform and educate coaches and student athletes of the nature and risk of sudden cardiac arrest. Requires that a form acknowledging receipt of the information must be returned to the student athlete's coach each year before beginning practice for an athletic activity. Requires that a student athlete who is suspected of experiencing a symptom of sudden cardiac arrest must be removed from the athletic activity at the time the symptom is identified. Provides that the student athlete may not return to practice and play until the student athlete has received permission to return to practice and play from the team's or postsecondary educational institution's athletic trainer or physician. Requires an applicant for an athletic trainer license to submit to a national criminal history background check. Provides that the athletic trainers board may conduct a random audit and require an individual seeking a renewal of an athletic trainer license to submit to a national criminal history background check. Requires that each school corporation and accredited nonpublic school shall include in the school corporation's or accredited nonpublic school's high school health education curriculum instruction in cardiopulmonary resuscitation and use of an automated external defibrillator for its students. Provides that a school administrator may waive the requirement that a student receive instruction if the student has a disability or is physically unable to perform the psychomotor skill component of the instruction. Provides that the department of education may grant schools a waiver of the psychomotor skill requirement.

Public Law 202 – House Enrolled Act 1004 – Some effective upon passage and some July 1, 2014 **Early education vouchers**

Adds IC 12-17.2-7.2; Amends IC 6-3.1-30.5-7 – Authorizes the office of the secretary of family and social services (office) to establish a pilot program (pilot program) to make grants to certain entities that provide qualified early education services to eligible children who are four years of age. Specifies that the pilot program shall be funded (after review by the budget committee and approval by the budget agency) from any one or both of the following: (1) From Child Care and Development Fund (CCDF) grant funding. (2) From amounts reverted in a state fiscal year from funds appropriated to the divisions, departments, and bureaus administered by the office that are designated by the budget agency as available for funding the pilot program. Provides that the total amount of grants awarded from such funding under the pilot program in a state fiscal year may not exceed \$10,000,000. Specifies certain requirements that must be satisfied by an eligible provider that participates in the program. Provides that the amount of a grant made under the pilot program for an eligible child: (1) must equal at least \$2,500 during the state fiscal year; and (2) may not exceed \$6,800 during the state fiscal year. Specifies that at least 10% but not more than 50% of the tuition for eligible children under the pilot program during the state fiscal year must be paid from donations, gifts, grants, bequests, and other funds received from a private entity or person, from the

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Public Law 202 – House Enrolled Act 1004 – Some effective upon passage and some July 1, 2014 Early education vouchers (continued)

United States government, or from other sources. Specifies that the grants shall be distributed in a manner consistent with how funds are distributed under the CCDF grant program. Requires the office to carry out a longitudinal study of students who participate in the pilot program to determine the achievement levels of those students in kindergarten and later grades. Provides that the office may, after consulting with the state board of education, enter into a contract with one or more persons to carry out the longitudinal study. Requires the office to report annually to the governor, the budget committee, the state board of education, the department of education, and the legislative council regarding the pilot program. Provides that a taxpayer is not entitled to a school scholarship tax credit for a contribution to a scholarship granting organization that is used to provide a scholarship or other assistance to a child participating in the pilot program. Establishes the prekindergarten and early learning study commission.