

# STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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**TO: Charter Schools**

**FROM: Daniel Shackle, Commissioner**

**RE: Charter School Budgets, Capital Projects Plans, & Bus Replacement Plans**

**DATE: May 30, 2024**

As referenced in the Department of Local Government Finance's ("Department") previously released memo regarding legislation affecting school funding matters, various sections of House Enrolled Act 1001 (P.L. 201-2023) ("HEA 1001") added additional reporting requirements for charter schools that receive property tax distributions in Lake County, Marion County, St. Joseph County, or Vanderburgh County.

## **I. Operations Fund Levy Distribution to Charter Schools**

Section 153 of HEA 1001 added Ind. Code § 20-24-7-6.1 as a new section. This section applies to revenue collected after June 30, 2024, from a tax levy imposed for the operations fund. Beginning in calendar year 2025, the county auditor must distribute operations fund tax levy revenue to an eligible charter school. The distribution must be made at the same time that tax levy revenue is distributed to school corporations.

In order to receive a distribution, the governing body of an eligible charter school shall, starting in 2024, adopt a budget for the school year. The budget must be adopted before November 1 each year. Not later than ten (10) days before adoption, the budget must be fixed and presented to the charter board in a public meeting in the county in which the charter school is incorporated. The adopted budget must be submitted to:

- (1) The charter authorizer, for review; and
- (2) The Department of Local Government Finance, for posting on Gateway under Ind. Code § 6-1.1-17-3.

Budgets adopted by eligible charter schools should be uploaded to the Gateway File Transmission Application, as outlined in Section III of this memo.

## **II. Charter School Operations Fund, Capital Projects Plans, and Bus Replacement Plans**

Sections 185 and 186 of HEA 1011 amended Ind. Code § 20-40-18-1 and Ind. Code § 20-40-18-2, respectively, to provide that the governing body of a charter school must establish an operations fund if the charter school is receiving a distribution of a school corporation's

operations fund levy. The charter school’s operations fund is to be used after December 31, 2024.

Section 187 of HEA 1001 added Ind. Code § 20-40-18-10.5 as a new section to specify that a charter school may use its operations fund only for the following purposes:

- (1) Carry out a capital projects plan.
- (2) Pay transportation costs.
- (3) Carry out a school bus replacement plan.
- (4) Pay expenses that are allocated to overhead and operational expenses.
- (5) Establish, maintain, and equip a public playground.

Additionally, Ind. Code § 20-40-18-10.5 outlines the requirements for a capital projects plan and school bus replacement plan. Among other things, these plans must be prescribed by the Department, and templates for each plan have been attached to this memo. The charter school must also hold a public hearing on the proposed plan and make the proposed plan available to the public prior to the hearing. After adopting the plan, the charter school must submit the plan to the Department through the Gateway File Transmission application. This section also places conditions on using the fund for transportation costs.

These provisions under HEA 1001 are effective July 1, 2024.

### **III. Plans and Adopted Budget Upload Instructions**

Local officials with the eligible charter schools in Lake County, Marion County, St. Joseph County, or Vanderburgh County will need to [establish a user account](https://gateway.ifionline.org/login.aspx) and login to Gateway at: <https://gateway.ifionline.org/login.aspx>.

After the logging into Gateway, the local official will select the File Transmission application as highlighted below:

**Welcome to the Indiana Gateway for Government Units**

As an authorized user, you will have at least one application to use. Each of these applications enables a local unit to submit its required forms, reports or files to the appropriate state agency. Agencies currently include Department of Local Government Finance, State Board of Accounts, Indiana Education Employment Relations Board and Indiana Gaming Commission.

Select Application

Department of Local Government Finance (DLGF)	Deadline	State Board of Accounts (SBOA)	Deadline
Additional Appropriations	<a href="#">Details</a>	100R	Jan 31
Abstract	<a href="#">Details</a>	Annual Financial Report	<a href="#">Details</a>
Assessor Reports	Jan 15	Monthly and Annual Engagement Uploads	<a href="#">Details</a>
Budgets	<a href="#">Details</a>	E-1 Entity Annual Report	60 days after entity's fiscal year ends
Data Entry for CNAV and Form 22	<a href="#">Details</a>	ECA Risk Report	Aug 29
Debt Management	<a href="#">Details</a>	Conflict of Interest Disclosure	15 days after final action on the contract or purchase
Economic Development Reporting	Sep 30		
<b>File Transmission</b>	<a href="#">Details</a>		

After selecting the File Transmission application, the user will need to select the applicable unit.

The screenshot shows the 'Gateway for government units' interface. At the top, the logo reads 'INDIANA Gateway for government units' with a map of Indiana icon. Below the logo is a navigation bar with 'Department of Local Government Finance - File Transmission' and links for Home, About, Account Settings, Help, and Logout. The main heading is 'Select Unit' with an 'All Units' button on the right. Below this, it says 'Reporting Year: 2023' and a note: 'Reporting year is only applicable to certain file submissions. The Contracts Upload will not be affected by the year selection.' A table lists available units:

Unit Code	Unit Name	Unit Type	Unit County	User Role
9101	DLGF Charter School 1	Charter School	Gateway1	Submit
9102	DLGF Charter School 2	Charter School	Gateway1	Submit

Then select the “School Fiscal Plans” destination button.

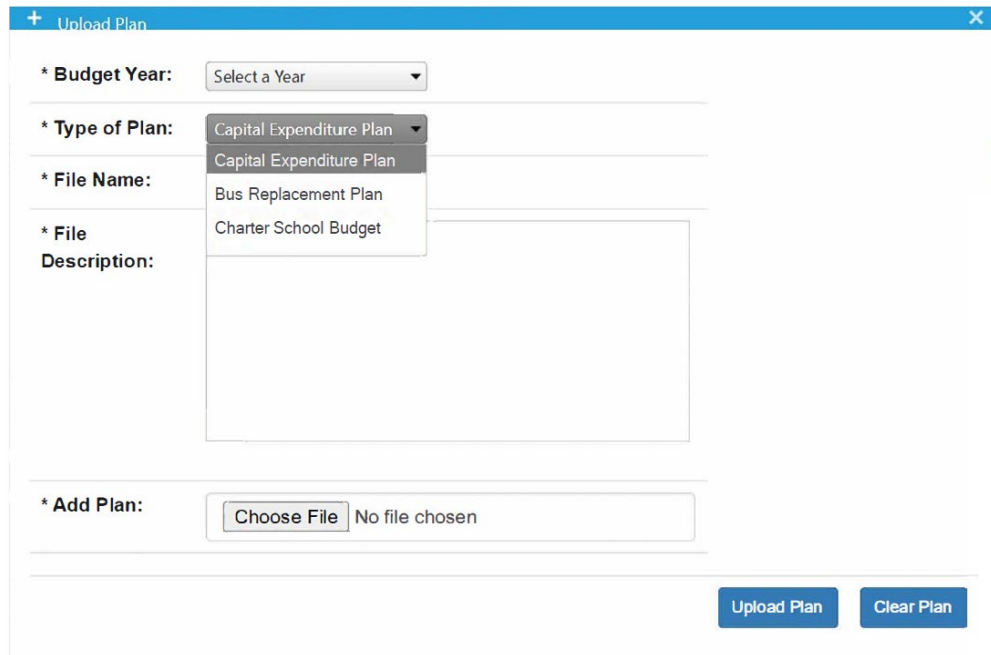
The screenshot shows the 'File Transmission Menu' for 'Gateway1 County - DlGF Charter School 1'. The header includes the 'Gateway for government units' logo and navigation links for Home, About, and Account Settings. Below the header, it says 'Select Unit > File Transmission Menu'. The main heading is 'File Transmission Menu' followed by 'Gateway1 County - DlGF Charter School 1'. A 'Select Destination' menu is displayed with the following options:

- Local Government Contracts
- School Fiscal Plans
- TIF Spending Plans
- View File History

The user will then select the “+ Upload Plan” button to upload the Capital Project Expenditure Plan, the Bus Replacement Plan, or the adopted budget.



After selecting the “+ Upload Plan” button, the user will select the appropriate Budget Year and select the Type of Plan from the drop-down menu.



If you have any questions about uploading the Capital Project Expenditure Plan, the Bus Replacement Plan, or the adopted charter school budget please contact the [Budget Field Representative](#) assigned to the applicable county.