

RESOLUTION REQUESTING LOAN TO MUNCIE COMMUNITY SCHOOLS

WHEREAS, the 2018 Indiana General Assembly adopted IC 20-23-18 to provide for the governance and operation of the Muncie Community Schools (MCS); and

WHEREAS, at the same time, the Indiana General Assembly amended IC 6-1.1-20.3-7.1 to provide authority for the Indiana Distressed Unit Appeals Board (DUAB) to recommend to the Indiana State Board of Finance to make an interest free loan to MCS from the common school fund; and

WHEREAS, in both IC 20-23-18 and IC 6-1.1-20.3-7.1, the Indiana General Assembly recognized the unique issues faced by MCS that may not be present in other school corporations; and

WHEREAS, in IC 20-23-18, the Indiana General Assembly recognized the relationship between MCS and Ball State University and granted Ball State University the authority to appoint a new Board of School Trustees for MCS; and

WHEREAS, Ball State University exercised the authority granted to it under IC 20-23-18 and appointed a new Board of School Trustees (Board) who took office July 1, 2018; and

WHEREAS, the Board, working in conjunction with Administrator Assistance as an interim administration, has been instituting new measures for reporting on the financial condition of MCS and providing internal fiscal controls for the receipt and expenditure of funds; and

WHEREAS, MCS has accomplished a successful start of the school year with stabilizing enrollment and substantial community support for the revitalization of MCS;

WHEREAS, in IC 20-23-18, the Indiana General Assembly directed MCS to engage in academically innovative strategies for developing and evaluating new methods of instruction, comparing new methods of instruction with conventional methods in use, and training teachers in new methods of instruction; and

WHEREAS, MSC is in need of additional funds to properly fund the operational expenses of the school corporation, provide for the education of MCS students, continue the positive momentum for MCS in the community and carry out the directions to engage in academically innovative strategies.

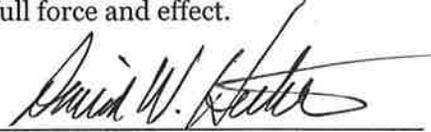
NOW, THEREFORE, BE IT RESOLVED, by the Board of School Trustee of Muncie Community Schools as follows:

1. MSC respectfully requests that DUAB recommend to the Indiana State Board of Finance a loan of \$12 million to MCS under IC 6-1.1-20.3-7. MCS fully recognizes that this is a loan that must be repaid and that the term of the loan may not exceed ten (10) years.

2. The officers of the Board, the interim administration and the Board's general counsel are authorized to work with DUAB and the Indiana State Board of Finance to enter into a loan agreement setting out the terms of the loan and its repayment and establishing other appropriate loan terms.

CERTIFICATION

The Muncie Community Schools Board of School Trustees adopted this resolution by a unanimous vote at a regular meeting of the Board held on October 9, 2018. As Secretary of the Board of School Trustees, I certify that the above resolution is a true and accurate copy of the resolution so adopted and this resolution remains in full force and effect.



David Heeter, Secretary
Board of School Trustees
Muncie Community Schools

