
STATE OF INDIANA

DISTRESSED UNIT APPEAL BOARD



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School Corporation Fiscal and Qualitative Indicators Committee Meeting Memorandum

October 4, 2018

Call to Order: A meeting of the School Corporation Fiscal and Qualitative Indicators Committee (“Committee”) was held on October 4, 2018, at 2:00 p.m. EDT at One North Capitol Avenue, Suite 900, Large Conference Room, Indianapolis, Indiana. Members of the Committee attending the meeting included Courtney Schaafsma (Chair), Melissa Ambre, Matt Parkinson, Neil Broshears, Chase Lenon, Tyler Brown and David Holt.

Ms. Schaafsma called the meeting to order and recognized compliance with the Open Door Law. She noted that Tyler Brown was serving as MPH’s appointee to the Committee for this meeting, as Josh Martin was out of the office.

Ms. Schaafsma then explained that the main objective for the meeting was to adopt final recommendations for school corporation fiscal indicators which would then be presented to the State Budget Committee. She then presented a proposal to the Committee, containing the following eight proposed indicators:

- Average Daily Membership
- Fund Balance
- Annual Deficit/Surplus
- Fund Balances as Percent of Expenditures
- Tuition Support per ADM as compared to General Fund Expenditures per ADM
- Revenue by Type
- Operating Referendum Revenue as Percent of Total Revenue
- General Fund Salaries and Benefits as Percent of General Fund Expenditures

Mr. Parkinson commented that he felt the proposed indicators worked well together to tell the story of the school corporation. Ms. Ambre and Mr. Broshears also agreed with the proposed indicators. Mr. Broshears asked about the deficit fund balance included in the Committee’s packet. Ms. Schaafsma explained that the information in the packet contained a new visualization for deficit fund balances, including an option that provided detailed fund balance information as a subset of the Fund Balance indicator previously presented. Mr. Lenon indicated that he liked the visualization as a subset of Fund Balance. Mr. Parkinson agreed.

Mr. Lenon then requested that a note be included with the link to the school corporation’s audit reports when the school corporation has a qualified audit report as shown in the Federal Audit Clearinghouse.

Mr. Holt indicated that he was pleased with the presentation of the indicators overall but that he felt that the proposed indicators were missing an indicator on property tax cap impacts and property taxes. Ms. Schaafsma explained that she was proposing that property tax information, including property tax caps, we evaluated during the assessment process for those school corporations identified to go through the assessment process. She explained that she felt the Committee could include a list of recommended factors the Distressed Unit Appeal Board (“DUAB”) should consider when doing the assessment process and then presented proposed recommendations to be included. In addition to property tax information, the proposed recommendations would also include debt information and other fiscal and qualitative indicators.

Mr. Parkinson made a motion that the Committee present the proposed indicators, including modifications for detailed fund balance information and the qualified opinion audit note, to the State Budget Committee and that the indicators be updated on an annual basis. In addition, Mr. Parkinson included in the motion that the Committee provide the recommended assessment process indicators in the document proposed to the State Budget Committee and DUAB. Mr. Broshears seconded the motion. The motion passed 7-0.

Ms. Schaafsma thanked the Committee for its work as well as thanking all interested parties who participated in the process and provided feedback along the way. She then outlined next steps, including presenting the proposed indicators to the State Budget Committee on October 16.

New business: None.

Adjournment: Ms. Schaafsma adjourned the meeting at 2:45 p.m.