



IASBO School Finance Seminar

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New Legislation

New Laws Affecting Schools



- Each year SBOA Identifies new laws that would affect schools from an auditing perspective that relate to various financial and compliance matters.
- Please see the “New Laws Affecting Schools” section of the [June 2021 School Bulletin](#).



• Section 154 - IC 20-28-9-26 Added

- For school years after June 30, 2023 if a school cannot establish a minimum salary of \$40,000 for each full-time teacher – school shall submit an explanatory report to IDOE.

HEA 1001 – State Budget



- Section 156 - IC 20-28-9-28 Added
- For school years beginning after June 30, 2021 a school corporation shall expend an amount for full-time teacher salaries that is not less than an amount equal to forty-five percent (45%) of the state tuition support.
- If cannot comply, school shall apply for a waiver from IDOE.



- Section 161 – IC 20-43-4-1 Amended.
- Eligible pupil – Tuition support
 - (4) “the pupil is **twenty-two (22) years of age or less;**”

HEA 1001 – State Budget



- Section 180 - IC 20-51.4 Added
- Indiana Education Scholarship Account program
- The Treasurer of State shall, in consultation with the State Board of Education and the Department of Education, administer the program.

HEA 1008 - Student Learning Recovery Grant Program



- Section 1 – IC 20-32-8.7 added.
- Fund #3031 added to Chart of Accounts.
- Supports entities' accelerated learning plans, with a focus on partnerships between community organizations and schools. These partnerships will support accelerated student learning across all grades, working to make up for lost instructional time due to the COVID-19 pandemic.
- <https://www.doe.in.gov/grants/1008-student-learning-recovery-grant-program-and-fund>

HEA 1119 - Food Purchases From Agricultural Programs



- **Section 1 – IC 5-22-8-1.5 Added**
- If a youth agricultural education program produces food, subject to subsection (c), a purchasing agency may purchase up to seven thousand five hundred dollars (\$7,500) of the food per fiscal year from the youth agricultural education program. Nothing in this section prohibits a purchasing agency from purchasing food from a youth agricultural education program under any other procurement requirement under this chapter.
- (c) Subject to any rules or other restrictions adopted by the purchasing agency, a purchase under this section is considered a micro purchase and is subject to the documentation provisions under 2 CFR 200

HEA 1169 - Cybersecurity Incidents



- Sections 1-11 Adds/Amends various sections – see bulletin for more information.
- Requires the office of technology to maintain a repository of cybersecurity incidents. Provides that a state agency and a **political subdivision shall: (1) report any cybersecurity incident to the office without unreasonable delay and not later than two business days after discovery of the cybersecurity incident** in a format prescribed by the chief information officer; and (2) provide the office with the name and contact information of any individual who will act as the primary reporter of a cybersecurity incident before September 1, 2021, and before September 1 of every year thereafter. Allows the office of technology to assist a state agency with certain issues concerning information technology. Provides that if requested by a political subdivision, the office may develop a list of third-party technology providers that work with the office. Requires a state educational institution to submit a quarterly analysis with certain conditions

HEA 1437 - Electronic Meetings and Signatures



- Sections 1-9 Adds/Amends various sections – see bulletin for more information.
- Allows a member of a governing body of a political subdivision to **participate in a meeting electronically** subject to the following: (1) Requires the governing body to adopt a written policy establishing procedures for electronic participation. (2) Requires the technology to permit simultaneous communication between members and the public to attend and observe the proceedings. (3) Requires at least 50% of the members to be physically present at the meeting site. (4) Allows a member participating electronically to be counted for quorum purposes. (5) Provides that a member participating electronically may participate in a final action taken by the governing body only if the member can be seen and heard.
- Provides that if a statute requires a manual signature for attesting or authenticating an obligation issued by certain state and local public entities, an electronic signature has the same force and effect as a manual signature.

SEA 55 – School Referenda



- Sections 1-8 Adds/Amends various sections – see bulletin for more information.
- Provides that an **examination** of the accounts and financial affairs of a school corporation **must include an examination of any revenue spending plan and applicable fund for an operating referendum tax levy or school safety referendum tax levy** to determine whether the school corporation is using the revenue collected from the levy in the amounts and for the purposes established in the applicable revenue spending plan.

SEA 251 – Deduction of Dues to Exclusive Representative



• Section 1 – IC 20-29-5-6 Added

- Provides that a school **employee must annually authorize a pay deduction to a school employee organization**. Provides that the attorney general, in consultation with the Indiana education employment relations board (board) shall prescribe an authorization for withholding form. Provides that after receiving the authorization for withholding form, the employer shall confirm the authorization by sending an electronic mail message to the school employee at the employee's school provided work electronic mail address and shall wait for confirmation of the authorization before starting any deduction.

SEA 332 – Publication of Notice by Political Subdivisions



- Sections 1-43 Adds/Amends various sections – see bulletin for more information.
- When required by statute to publish a notice two or more times, to make the first publication of notice in a newspaper and **any subsequent publications of the notice on the official web site of the political subdivision**. Requires the political subdivision or contractor that maintains the political subdivision's official web site to provide proof of publication of the notice on the official web site.

SEA 358 – School Buildings



- Sections 1-10 Adds/Amends various sections – see bulletin for more information.
- Provides that **before a governing body may sell, exchange, lease, demolish, hold without operating, or dispose of a school building, the governing body shall:**
 - (1) obtain a certification from the attorney general's office; and
 - (2) make the building available for lease or purchase by a charter school or state educational institution.
- Provides that before a governing body may sell, exchange, lease, demolish, hold without operating, or dispose of a school building, the governing body must receive a certification from the attorney general to ensure that the governing body is in compliance with requirements for making a vacant school building available for sale or lease to a charter school or state educational institution for \$1. Provides that, **if a school corporation does not comply with the requirements to sell a vacant school building**, as determined by the attorney general, the school corporation **shall submit any proceeds from the sale of the vacant school building to the state board**. Provides that a school corporation is responsible for maintaining a vacant school building until it is: (1) sold or leased to a charter school or state educational institution; (2) sold to an accredited nonpublic school or postsecondary educational institution other than a state educational institution; or (3) eligible to be sold or otherwise disposed.

SEA 414 – Various Education Matters



- Sections 1-4
 - Adds IC 20-19-3-23; IC 20-26-5-40.5
 - Amends IC 20-43-8-1
- Provides that the department of education (department) may adopt and provide to schools an early warning system that provides actionable data on students as early as elementary school. Provides that, **not later than January 1, 2022, each school corporation and charter school shall: (1) adopt and implement an Internet use policy; and (2) use hardware or install software on computers and other technology related devices owned by the school corporation or charter school to filter or block Internet access to materials that are harmful to minors.** Requires each school corporation and charter school to post the Internet use policy on the school corporation's or charter school's Internet web site.

Additional Laws Affecting Schools



- P.L. 165 HB 1001 State Budget
- P.L. 166 HB 1002 Civil Immunity Related to COVID-19
- P.L. 56 HB 1040 Sudden Cardiac Arrest of Students
- P.L. 38 HB 1271 Department of Local Government Finance
- P.L. 216 HB 1549 Various Education Matters

- P.L. 1 SB 1 Civil Immunity Related to COVID-19
- P.L. 3 SB 2 Funding for Virtual Instruction in Public Schools



SBOA Updates

Enhanced Regulatory (Phase II)



- Changes to the Gateway Annual Financial Report due August 29, 2021
 - Added - Risk Assessment questions.
 - Added - **Financial Data by Fund**.
 - Added - **Interfund Loan Activity Schedule**.
 - Added - **Debt** section divided between Long-term and Short-term debt.
 - Added - **Tax Abatements** section.
 - Capital Assets - **Accumulated Depreciation**.

Accumulated Depreciation (A/D)



- **Capital Asset Schedule divided between** → Depreciable/Non-depreciable assets.
- **A/D Schedule – By asset category.**
 - Will need to have Beginning Balance, Additions, Reductions, and Ending Balance of Accumulated Depreciation.
- We will be providing a YouTube video with A/D instructions.
- Questions? Contact us!

ESSER Stipends



- Allowable, but cannot be provided generally to all staff without proper **justification** and **documentation**.
- Board must approve stipends and set qualifications to receive them.

Food Service Management Companies (FSMC)



- **Internal Controls + Documentation** necessary – even if contracting the service.
- If you use a FSMC, review contracts closely and explain documentation requirements to service provider.

SBOA Email List



- We have changed the way we communicate. If you have not done so already, please sign up for email communications on our website
 - <https://www.in.gov/sboa/7130.htm>.
- The 'From' Addresses will appear as **Indiana@subscriptions.in.gov** or **Schools.Townships@subscriptions.in.gov**.

Questions?

