

THE SCHOOL ADMINISTRATOR

and Uniform Compliance Guidelines
ISSUED BY STATE BOARD OF ACCOUNTS

Volume 194 A

June 2011

NEW LAWS AFFECTING SCHOOL CORPORATIONS

PUBLIC LAW 2 – HOUSE ENROLLED ACT 1450 – EFFECTIVE VARIOUS DATES. UNEMPLOYMENT INSURANCE. Amends and adds to IC 22-4 and makes various changes in unemployment insurance.

PUBLIC LAW 12 – SENATE ENROLLED ACT 86 – EFFECTIVE VARIOUS DATES. UNEMPLOYMENT BENEFITS. Amends and adds to IC 22-4 and provides various changes regarding unemployment benefits.

PUBLIC LAW 13 - SENATE ENROLLED ACT 12 - EFFECTIVE VARIOUS DATES. PERF AND TRF. MAKES VARIOUS CHANGES REGARDING ADMINISTRATION ISSUES FOR PERF AND TRF.

Amends IC 5-10-5.5-8 to provide in part (d) After December 31, 2011, an employer shall submit the contributions paid by or on behalf of a participant under this section by electronic funds transfer in accordance with section 8.5 of this chapter. Also adds IC 5-10-5.5-8.5 (a) This section applies to reports, records, and contributions submitted after December 31, 2011. (b) As used in this section, "electronic funds transfer" has the meaning set forth in IC 4-8.1-2-7(f). (c) An employer shall submit through the use of electronic funds transfer: (1) employer contributions, determined by the board, to fund the retirement, disability, and survivor benefits described in this chapter; and (2) contributions paid by or on behalf of a participant under section 8 of this chapter. (d) An employer shall submit in a uniform format through a secure connection over the Internet or through other electronic means specified by the board the reports and records required by the board under this chapter. (e) The board shall establish by rule the due dates for all reports, records, and contributions required under this chapter.

Amends sections of IC 36-8-8 concerning Fire Pension Plans.

PUBLIC LAW 17 – SENATE ENROLLED ACT 411 – EFFECTIVE JULY 1, 2011. FIREARMS. Provides for possible civil actions for requiring applicants to disclose information regarding firearms under certain circumstances.

PUBLIC LAW 18 - SENATE ENROLLED ACT 418 - EFFECTIVE JULY 1, 2011. COMMON CONSTRUCTION WAGE.

Amends IC 5-16-7-1 concerning common construction wage committees to provide in part (d) The rate of wages determined by the committee under subsection (c) applies to any contract for which the awarding government agency let's not later than three (3) months after the date the committee determines the rate of wages. The committee shall establish wages for all classifications of work that may be employed on projects subject to contracts let by the awarding agency for three (3) months after the date the committee determines the rate of wages. If an awarding agency advertises for a contract that includes classifications that are not listed on the existing wage scale, the awarding agency shall form a new committee under subsection (b) to determine the classifications and wages on the contract. (e) If the awarding government agency lets for a contract later than three (3) months after the committee determines the rate of wages, the awarding government agency shall form a new committee under subsection (b) to determine a rate of wages for the contract. The rate of wages determined under this subsection applies to any contract for which the awarding government agency let's not later than three (3) months after the rate of wages is determined under this subsection.

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PUBLIC LAW 18 - SENATE ENROLLED ACT 418 - EFFECTIVE JULY 1, 2011. COMMON CONSTRUCTION WAGE. (Continued)

Amends IC 5-16-7-4 to remove a requirement that the department of workforce development must provide reports for each meeting of the committee.

PUBLIC LAW 22 - SENATE ENROLLED ACT 524 - EFFECTIVE JULY 1, 2011. PUBLIC EMPLOYEES' DEFINED CONTRIBUTION PLAN.

Adds a non code provision to provide in SECTION 3. (a) As used in this SECTION, "commission" refers to the pension management oversight commission established by IC 2-5-12-1. (b) The general assembly urges the legislative council to assign the commission the task of studying the issue of whether to establish a defined contribution plan for: (1) new employees of political subdivisions that participate in the public employees' retirement fund established by IC 5-10.3-2-1; and (2) new employees who are eligible to become members of the Indiana state teachers' retirement fund established by IC5-10.4-2-1. The study must include a survey of the design and cost of the pension and retirement plans used by other states. (c) If the commission is assigned the topic described in subsection (b), the commission shall issue a final report to the legislative council containing the commission's findings and recommendations, including any recommended legislation concerning the topic, not later than November 1, 2011. (d) This SECTION expires June 30, 2012.

PUBLIC LAW 23 - SENATE ENROLLED ACT 549 - EFFECTIVE JULY 1, 2011. PERF AND TRF MATTERS. Amends and adds to various sections of IC 2, IC 4, IC 5 and adds IC 5-10.5 concerning a Modernization Act for PERF and TRF.

PUBLIC LAW 42 – SENATE ENROLLDED ACT 295 – EFFECTIVE APRIL 20, 2011. TECHNICAL CORRECTIONS. Makes technical corrections to several sections of the Indiana Code.

PUBLIC LAW 48 - SENATE ENROLLED ACT 575 – EFFECTIVE VARIOUS DATES. TEACHER COLLECTIVE BARGAINING. CPF.

Amends IC 20-26-5-32.2 to provide in part a wage payment arrangement under this chapter may not contain any terms beyond those permitted to be bargained under IC 20-29-6-4.

Amends IC 20-28-6-2; to provide in part (a) A contract entered into by a teacher and a school corporation must: . . . contain the: . . . (E) the number of hours per day the teacher is expected to work, as discussed pursuant to IC 20-29-6-7.

Amends IC 20-28-6-6 to provide in part (a) A temporary teacher's contract shall be used only for employing: (1) a teacher to serve in the absence of a teacher who has been granted a leave of absence by the school corporation for . . . (2) a new teacher for a position: (A) that is funded by a grant outside the school funding formula for which funding is available only for a specified period or purpose; or (B) vacated by a teacher who is under a regular contract and who temporarily accepts a teacher position that is funded by a grant outside the school funding formula for which funding is available only for a specified period or purpose.

Amends IC 20-29-2-6 to provide in part: "Deficit financing" for a budget year means actual expenditures exceeding the employer's current year actual general fund revenue.

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PUBLIC LAW 48 - SENATE ENROLLED ACT 575 – EFFECTIVE VARIOUS DATES. TEACHER COLLECTIVE BARGAINING. CPF. (Continued)

Adds IC 20-29-6-4.7 (a) A school employer may not bargain collectively with the exclusive representative on teacher evaluation procedures and criteria after this section has been enacted into law. (b) A contract entered into between a school employer and an exclusive representative after this section has been enacted into law may not extend past the end of a state budget biennium.

Adds IC 20-29-6-12.5 Within thirty (30) days after the date of the first state ADM count date of the school year in the first year of the state budget biennium, the department shall provide the parties with a certification of estimated general fund revenue available for bargaining from the school funding formula. A school employer that has passed a general fund operating referendum under IC 20-46-1 must have that amount certified by the department of local government finance. The school corporation must obtain the certification before the commencement of bargaining. These certifications must be the basis for determinations throughout impasse proceedings under this chapter.

Adds IC 20-29-6-15 to provide in part: (c) Costs for the fact finder shall be borne equally by the parties.

Amends IC 20-29-6-16 to provide in part: (b) During the bargaining process, the school employer shall continue under the terms of the current contract that is in effect, with no increase or increment in salary, wages, or benefits for any bargaining unit employee until a new contract is executed, unless continuation of the status quo would put the school employer in a position of deficit financing due to a reduction in the employer's actual general fund revenue or an increase in an employer's expenditures when the expenditures exceed the current year actual general fund revenue. (c) The only parts of the contract that must continue in status quo under this section are the items contained in the contract and listed in section 4 of this chapter.

Amends IC 20-40-8-19 to provide money in the fund may be used before January 1, 2014, to pay for up to one hundred percent (100%) of the following costs of a school corporation: (1) Utility services. (2) Property or casualty insurance. (3) Both utility services and property or casualty insurance. A school corporation's expenditures under this section may not in a calendar year exceed three and five-tenths percent (3.5%) of the school corporation's 2005 calendar year distribution.

PUBLIC LAW 58 - SENATE ENROLLED ACT 26 - EFFECTIVE JULY 1, 2011. LOCAL GOVERNMENT REORGANIZATION.

Adds IC 36-1-7-16 to provide in part (a) This section applies to a political subdivision if: (1) the political subdivision enters into an agreement with one (1) or more other political subdivisions under this chapter to transfer, combine, or share powers, duties, functions, or resources; (2) the political subdivision realizes through the transfer, combination, or sharing of powers, duties, functions, or resources a: (A) savings; or (B) reduction in the reasonably foreseeable expenses that would otherwise have been incurred by the political subdivision if the transfer, combination, or sharing of powers, duties, functions, or resources had not taken place; and (3) the department of local government finance will otherwise decrease the maximum permissible property tax levies, maximum permissible property tax rates, or budgets of the political subdivision to: (A) eliminate double taxation by different political subdivisions for services; or (B) eliminate any excess by which the amount of property taxes imposed by the political subdivision exceeds the amount necessary to pay for services.

Adds IC 36-1-8-17 concerning various provisions regarding the Department of Local Government Finance establishing criteria for making an adjustment to the maximum permissible property tax levies.

Also amends IC 36-1.5-3-5 regarding the Department of Local Government Finance establishing criteria for making adjustments to maximum levies.

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PUBLIC LAW 58 - SENATE ENROLLED ACT 26 - EFFECTIVE JULY 1, 2011. LOCAL GOVERNMENT REORGANIZATION. (Continued)

Amends IC 36-6-1.5-12 to provide in part (b) The department of local government finance shall establish criteria for making an adjustment to the maximum permissible property tax levies, maximum permissible property tax rates, and budgets under IC 6-1.1-17 and IC 6-1.1-18.5 if the new township realizes through a merger under this chapter a: (1) savings; or (2) reduction in the reasonably foreseeable expenses that would otherwise have been incurred by the political subdivision if the merger had not taken place. (c) The adjustment under subsection (b) must permit the new township to continue to: (1) include in the township's budget part of the budgeted amounts that would otherwise be reduced by the department of local government finance on account of the realized savings or reduction in expenses that occurs because of the merger; and (2) impose part of a property tax levy that would otherwise be reduced by the department of local government finance on account of the realized savings or reduction in expenses that occurs because of the merger. (d) The additional amount that a political subdivision may continue to levy or include in the political subdivision's budget because of the adjustment under subsection (b) may not exceed the result of: (1) the savings or reduction in expenses realized in the first full year of operation after the merger is implemented, as determined by the department of local government finance; multiplied by (2) a percentage determined as follows: (A) Fifty percent (50%) in the first year of the adjustment. (B) Fifty percent (50%) in the second year of the adjustment. (C) Thirty percent (30%) in the third year of the adjustment. (D) Ten percent (10%) in the fourth year of the adjustment and thereafter. The fiscal body of the new township shall determine and certify to the department of local government finance the amount of the adjustment that the new township wishes to accept under this section.

PUBLIC LAW 69 - SENATE ENROLLED ACT 495 - EFFECTIVE JULY 1, 2011. LAWSUITS BY SCHOOL CORPORATIONS.

Amends IC 20-26-5-4, to provide in part in carrying out the school purposes of a school corporation, the governing body acting on the school corporation's behalf has the following specific powers: (1) In the name of the school corporation, to sue and be sued and to enter into contracts in matters permitted by applicable law. However, a governing body may not use funds received from the state to bring or join in an action against the state, unless the governing body is challenging an adverse decision by a state agency, board, or commission.

PUBLIC LAW 72 - HOUSE ENROLLED ACT 1341 - EFFECTIVE January 1 2011. (RETROACTIVE) SPECIAL EDUCATION GRANTS.

Adds IC 20-43-7-9 to provide in part a) This section does not apply to a charter school. (b) Each calendar year, a school corporation shall expend part of the school corporation's state special education grant on the provision of special education and related services to parentally placed nonpublic school students with disabilities. The school corporation shall, at a minimum, expend an amount from the state special education grant equal to the amount attributable to the number of parentally placed nonpublic school students with disabilities included in the school corporation's count conducted under section 1 of this chapter. (c) In determining compliance with this section, a school corporation may include state special education grant expenditures on the following: (1) Activities and services for which the school corporation may expend federal grants under Part B of the federal Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.). (2) Child fund activities, including the cost of initial educational evaluations and reevaluations. (d) A school corporation shall maintain sufficient and accurate records to demonstrate compliance with this section. (e) The state board shall adopt rules to implement this section, including, but not limited to, reporting requirements, monitoring, and consequences for noncompliance. The consequences may include requiring expenditure of additional state funds in a subsequent year if the school fails to expend the requisite amount in a prior year.

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PUBLIC LAW 73 - HOUSE ENROLLED ACT 1429 - EFFECTIVE JULY 1, 2011. TEXTBOOKS

Makes various changes to the textbook adoption and rental laws including adding IC 20-18-2-23 to provide "Textbook" means systematically organized material designed to provide a specific level of instruction in a subject matter category, including: (1) books; (2) hardware that will be consumed, accessed, or used by a single student during a semester or school year; (3) computer software; and (4) digital content.

Adds IC 20-20-5.5-1 to provide as used in this chapter, "curricular materials" means: (1) textbooks; and (2) material used to supplement or replace textbooks, including: (A) books and other printed material; (B) computer software; and (C) digital content.

IC 20-20-5.5-2 (a) The department shall evaluate curricular materials. The evaluation must include an evaluation of: (1) the curricular materials' alignment to the academic standards adopted by the state board under IC 20-31-3-1; and (2) the appropriateness of the reading level of the curricular materials. (b) The department shall publish a report that describes the method used to conduct the evaluation required under subsection (a) and that contains the results of the valuation. The report must: (1) provide a list of each curricular material evaluated and a summary of the valuation for each curricular material; (2) be updated annually; and (3) provide a listing and summary review for the curricular materials that are aligned to the academic standards adopted by the state board under IC 20-31-3-1 for the following subjects for each grade level: (A) English/language arts, including spelling, literature, and handwriting. (B) Reading. (C) Mathematics. (D) Science. (E) Social studies. (F) Miscellaneous. (G) World languages. (c) A governing body and superintendent may use the report under subsection (b) in complying with IC 20-26-12-24. (d) To be included in the report under subsection (b), a publisher must provide the department a written exact and standard statewide price for each curricular material. (e) A publisher may request that an update to the publisher's curricular materials and corresponding prices replace the curricular materials set forth in the report under subsection (b).

IC 20-20-5.5-3 (a) The state superintendent shall notify the governing bodies of each school corporation, charter school, and accredited nonpublic school immediately of: (1) the initial publication and annual update on the department's Internet web site of the report described in section 2(b) of this chapter, including the Internet web site address where the report is published; and (2) updates of the following types of information in the report described in section 2(b) of this chapter: (A) The addition of materials. (B) The removal of materials. (C) Changes in the per unit price of curricular materials that exceed five percent (5%). (b) A notification under this section must state that: (1) the curricular materials included in the report described in section 2(b) of this chapter are departmental reviews only; and (2) each governing body has authority to adopt textbooks for a school corporation.

Amends IC 20-26-12-2 to provide (a) A governing body may purchase from a publisher, any textbook selected by the proper local officials. The governing body may rent these textbooks to students enrolled in any public or nonpublic school that is: (1) in compliance with the minimum certification standards of the state board; and (2) located within the attendance unit served by the governing body. The annual rental rate may not exceed twenty-five percent (25%) of the retail price of the textbooks. (b) Notwithstanding subsection (a), the governing body may not assess a rental fee of more than fifteen percent (15%) of the retail price of a textbook that has been: (1) extended for usage by students under section 24(e) of this chapter; and (2) paid for through rental fees previously collected. (c) This section does not limit other laws.

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**PUBLIC LAW 73 - HOUSE ENROLLED ACT 1429 - EFFECTIVE JULY 1, 2011. TEXTBOOKS.
(Continued)**

Amends IC 20-26-12-24 to provide in part (f) The governing body may, if the governing body considers it appropriate, retain a textbook adopted under this section and authorize the purchase of supplemental materials to ensure continued alignment with academic standards adopted by the state board. (g) The superintendent, advisory committee, and governing body may consider using the list of curricular materials (as defined in IC20-20-5.5-1) provided by the department under IC 20-20-5.5. (h) Notwithstanding subsection (g) and this chapter, the superintendent, advisory committee, and governing body shall adopt reading textbooks from the list of recommended curricular materials provided by the department under IC 20-20-5.5. (i) A governing body may not purchase textbooks from a publisher unless the publisher agrees, in accordance with sections 612(a)(23)(A) and 674(3)(4) of the Individuals with Disabilities Education Act 2004 (20 U.S.C. 1400 et seq.), to provide or grant a license to the school corporation to allow for the reproduction of adopted textbooks in: (1) large type; (2) Braille; (3) audio format; and (4) formats necessary to ensure usability for all students in the school corporation.

Also amends various sections of IC 20-33-5 concerning reimbursements from the State.

PUBLIC LAW 82 - SENATE ENROLLED ACT 325 - EFFECTIVE APRIL 28, 2011. LOCAL DEVELOPMENT AGREEMENTS.

Adds IC 4-33-23 concerning the Indiana Gaming Commission's regulation of local development agreements.

PUBLIC LAW 90 - SENATE ENROLLED ACT 1 - EFFECTIVE JULY 1, 2011. OPERATIONAL EFFICIENCY REVIEWS, TEACHER EVALUATIONS AND LICENSING.

Adds IC 20-20-39-1 to provide before October 1, 2011, the department shall develop a program to provide training and evaluations for school corporations in operational efficiency.

Adds IC 20-20-39-2 the department may contract with an outside entity to provide quality training for the department, school corporations, and superintendents in the area of efficiency and cost savings.

Adds IC 20-20-39-3 A school corporation shall submit to the department any information the department determines is necessary to: (1) evaluate the school corporation's current operations; and (2) recommend operational efficiencies and financial savings for the school corporation.

Adds IC 20-26-5-4.5 (a) The superintendent is responsible for selecting and discharging principals, central office administrators, business managers, superintendents of building and grounds, janitors, physicians, dentists, nurses, athletic coaches (whether or not they are otherwise employed by the school corporation and whether or not they are licensed under IC 20-28-5), and any other employees necessary to the operation of the school corporation, subject to the approval of the governing body. (b) Subject to IC 20-28-7.5, the superintendent and principal are responsible for selecting and discharging teachers, teachers aides, assistant principals, building administrative staff, librarians, and any other employees necessary to the operation of the school, subject to the approval of the governing body.

Adds and amends various provisions concerning teacher evaluations and licensing.

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PUBLIC LAW 91- HOUSE ENROLLED ACT 1002 - EFFECTIVE VARIOUS DATES. INDIANA CHARTER SCHOOL BOARD.

Adds IC 20-24-2.1 to provide in part the Indiana Charter School Board is established for the purpose of sponsoring charter schools throughout Indiana. Provides various funding provisions related to charter schools.

Amends IC 20-26-7-1 to provide in part (d) This subsection does not apply to a school building that on July 1, 2011, is leased or loaned by the school corporation that owns the school building to another entity. A governing body shall make available for lease or purchase to any charter school (as defined in IC 20-24-1-4) any school building owned by the school corporation that: (1) either: (A) is not used in whole or in part for classroom instruction at the time the charter school seeks to lease the building; or (B) appears on the list compiled by the department under subsection (e); and (2) was previously used for classroom instruction; in order for the charter school to conduct classroom instruction. (e) Each governing body shall inform the department whenever a school building that was previously used for classroom instruction is closed, unused, or unoccupied. The department shall maintain a list of closed, unused, or unoccupied school buildings and make the list available on the department's Internet web site. Each school corporation shall provide a list of closed, unused, or unoccupied buildings to the department by the date set by the department. The department must update the list each year before August 31. (h) During the term of a lease under subsection (g), the charter school is responsible for the direct expenses related to the school building leased, including utilities, insurance, maintenance, repairs, and remodeling. The school corporation is responsible for any debt incurred for or liens that attached to the school building before the charter school leased the school building. (i) If a school building appears on the department's list under subsection (e) for at least forty-eight (48) months, the school corporation may sell or otherwise dispose of the school building in any manner the governing body considers appropriate.

PUBLIC LAW 92 - HOUSE ENROLLED ACT 1003 - EFFECTIVE JANUARY 1, 2011 Retroactive and JULY 1, 2011. CHOICE SCHOLARSHIP.

Adds IC 20-51-4 provides a tax deduction for a parent who sends a child to a private school or home schools the child.

PUBLIC LAW 93 - SENATE ENROLLED ACT 4 - EFFECTIVE JULY 1, 2011. SUICIDE PREVENTION

Amends IC 12-28-3-4 to provide in part A governing body may adjourn the governing body's schools for not more than three (3) days in a school year to allow teachers, school administrators, and paraprofessionals to participate in: . . . (5) a basic or in service course of education and training on the prevention of child suicide and the recognition of signs that a student may be considering suicide. A governing body shall pay a teacher the teacher's per diem salary for the teacher's participation.

PUBLIC LAW 95 - SENATE ENROLLED ACT 39 – EFFECTIVE MAY 9, 2011. COMMISSION ON STATE TAX AND FINANCING POLICY.

Adds (b) The commission shall study the following: (1) How the Indiana income tax structure, including existing and potentially new income tax credits and deductions, may influence a senior's decision on residency in Indiana after retirement. (2) How each of the local option income taxes imposed under IC 6-3.5 affects the ability of political subdivisions to provide services to: (A) a facility that employs a significant number of individuals who reside outside the county in which the facility is located; and (B) the individuals who reside outside the county in which a facility described in clause (A) is located and commute to a job at that facility. (3) Whether counties and other political subdivisions should be provided additional financing options for providing services to the facilities and individuals described in subdivision (2). (4) How local option income taxes should be distributed within a county to local units of government.

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PUBLIC LAW 102 - SENATE ENROLLED ACT 217 - EFFECTIVE JULY 1, 2011. OFFICIAL MISCONDUCT

Amends IC 35-44-1-2 to provide, A public servant who knowingly or intentionally: (1) commits an offense in the performance of the public servant's official duties; (2) solicits, accepts, or agrees to accept from an appointee or employee any property other than what the public servant is authorized by law to accept as a condition of continued employment; (3) acquires or divests himself or herself of a pecuniary interest in any property, transaction, or enterprise or aids another person to do so based on information obtained by virtue of the public servant's office that official action that has not been made public is contemplated; or (4) fails to deliver public records and property in the public servant's custody to the public servant's successor in office when that successor qualifies; commits official misconduct, a Class D felony.

PUBLIC LAW 104 - SENATE ENROLLED ACT 340 – EFFECTIVE JULY 1, 2011. CHARITY GAMING. Establishes the Charity Gaming Study Communities and makes various changes to the Charity Gaming Laws.

PUBLIC LAW 105 – SENTATE ENROLLED ACT 347 – EFFECTIVE JULY 1, 2011. UNDERGROUND STORAGE TANKS. Requires an underground storage tank operator training program.

PUBLIC LAW 107 - SENATE ENROLLED ACT 464 - EFFECTIVE JULY 1, 2011. DEPOSITS AND CHECKS.

Adds IC 5-13-4-21.3 to provide "Public servant" has the meaning set forth in IC 35-41-1-24.

Amends IC 5-13-14-2 to provide a public servant is not liable for loss of public funds in any closed depository if the funds have been deposited in the manner required by this article.

Amends IC 5-13-14-3 to provide a public servant who knowingly or intentionally: (1) fails to deposit public funds; or (2) deposits or draws any check or negotiable order of withdrawal against the funds; except in the manner prescribed in this article, commits a Class A misdemeanor. However, the offense is a Class D felony if the amount involved is at least seven hundred fifty dollars (\$750), and a Class C felony if the amount involved is at least fifty thousand dollars (\$50,000). The public servant also is liable upon the public servant's official bond for any loss or damage that may accrue.

Amends IC 5-13-14-4 A public servant who knowingly or intentionally fails to perform any duty imposed upon the public servant by this article, other than a duty for which a penalty is imposed by section 3 of this chapter, commits a Class B misdemeanor.

PUBLIC LAW 110 - SENATE ENROLLED ACT 559 - EFFECTIVE JULY 1, 2011. CONFLICT OF INTEREST.

Amends IC 35-44-1-3 to provide (a) The following definitions apply throughout this section: (1) "Dependent" means any of the following: (A) The spouse of a public servant. (B) A child, stepchild, or adoptee (as defined in IC 31-9-2-2) of a public servant who is: (i) unemancipated; and (ii) less than eighteen (18) years of age. (C) An individual more than one-half (1/2) of whose support is provided during a year by the public servant. (2) "Governmental entity served by the public servant" means the immediate governmental entity being served by a public servant. (3) "Pecuniary interest" means an interest in a contract or purchase if the contract or purchase will result or is intended to result in an ascertainable increase in the income or net worth of: (A) the public servant; or (B) a dependent of the public servant who: (i) is under the direct or indirect administrative control of the public servant; or (ii) receives a contract or purchase order that is reviewed, approved, or directly or indirectly administered by

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PUBLIC LAW 110 - SENATE ENROLLED ACT 559 - EFFECTIVE JULY 1, 2011. CONFLICT OF INTEREST. (Continued)

the public servant. (b) A public servant who knowingly or intentionally: (1) has a pecuniary interest in; or (2) derives a profit from; a contract or purchase connected with an action by the governmental entity served by the public servant commits conflict of interest, a Class D felony. (c) It is not an offense under this section if: (1) The public servant or the public servant's dependent receives compensation through salary or an employment contract for: (A) services provided as a public servant; or (B) expenses incurred by the public servant as provided by law. (2) The public servant's interest in the contract or purchase and all other contracts and purchases made by the governmental entity during the twelve (12) months before the date of the contract or purchase was two hundred fifty dollars (\$250) or less. (3) The contract or purchase involves utility services from a utility whose rate structure is regulated by the state or federal government. (4) The public servant: (A) acts in only an advisory capacity for a state supported college or university; and (B) does not have authority to act on behalf of the college or university in a matter involving a contract or purchase. (5) A public servant under the jurisdiction of the state ethics commission (as provided in IC 4-2-6-2.5) obtains from the state ethics commission, following full and truthful disclosure, written approval that the public servant will not or does not have a conflict of interest in connection with the contract or purchase under IC 4-2-6 and this section. The approval required under this subdivision must be: (A) granted to the public servant before action is taken in connection with the contract or purchase by the governmental entity served; or (B) sought by the public servant as soon after the contract or purchase as the public servant becomes aware of the facts that give rise to a question of conflict of interest. (6) A public servant who makes a disclosure that meets the requirements of subsection (d) or (e) and is: (A) not a member or on the staff of the governing body empowered to contract or purchase on behalf of the governmental entity, and functions and performs duties for the governmental entity unrelated to the contract or purchase; (B) appointed by an elected public servant; (C) employed by the governing body of a school corporation and the contract or purchase involves the employment of a dependent or the payment of fees to a dependent; (D) elected; or (E) a member of, or a person appointed by, the board of trustees of a state supported college or university. (7) The public servant is a member of the governing board of a hospital organized or operated under IC 16-22-1 through IC 16-22-5 or IC 16-23-1. (d) A disclosure must: (1) be in writing; (2) describe the contract or purchase to be made by the governmental entity; (3) describe the pecuniary interest that the public servant has in the contract or purchase; (4) be affirmed under penalty of perjury; (5) be submitted to the governmental entity and be accepted by the governmental entity in a public meeting of the governmental entity before final action on the contract or purchase; (6) be filed within fifteen (15) days after final action on the contract or purchase with: (A) the state board of accounts; and (B) if the governmental entity is a governmental entity other than the state or a state supported college or university, the clerk of the circuit court in the county where the governmental entity takes final action on the contract or purchase; and (7) contain, if the public servant is appointed, the written approval of the elected public servant (if any) or the board of trustees of a state supported college or university (if any) that appointed the public servant. (e) This subsection applies only to a person who is a member of, or a person appointed by, the board of trustees of a state supported college or university. A person to whom this subsection applies complies with the disclosure requirements of this chapter with respect to the person's pecuniary interest in a particular type of contract or purchase which is made on a regular basis from a particular vendor if the individual files with the state board of accounts and the board of trustees a statement of pecuniary interest in that particular type of contract or purchase made with that particular vendor. The statement required by this subsection must be made on an annual basis.

PUBLIC LAW 122 - HOUSE ENROLLED ACT 1183 - EFFECTIVE JULY 1, 2011. PRICE PREFERENCES.

Adds IC 5-22-15-23.5 (a) A governmental body may give up to a ten percent (10%) price preference for agricultural products grown, produced, or processed in Indiana. (b) A governmental body may adopt rules to establish criteria to carry out this section.

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PUBLIC LAW 124 - HOUSE ENROLLED ACT 1288 - EFFECTIVE VARIOUS DATES. PROPERTY TAXES.

Amends IC 20-46-4-6 concerning a school corporation's maximum permissible transportation levy.

PUBLIC LAW 139 - SENATE ENROLLED ACT 60 - EFFECTIVE JULY 1, 2011. PUBLIC WORK BIDS.

Amends IC 36-1-12-4 to provide in part: (7) The board may not require a bidder to submit a bid before the meeting at which bids are to be received. The meeting for receiving bids must be open to the public. All bids received shall be opened publicly and read aloud at the time and place designated and not before. Notwithstanding any other law, bids may be opened after the time designated if both of the following apply: (A) The board makes a written determination that it is in the best interest of the board to delay the opening. (B) The day, time, and place of the rescheduled opening are announced at the day, time, and place of the originally scheduled opening.

PUBLIC LAW 147 - SENATE ENROLLED ACT 205 - EFFECTIVE MAY 10, 2011. PUBLIC DEPOSITORIES. Similar changes to **PUBLIC LAW 202 - HOUSE ENROLLED ACT 1297**

PUBLIC LAW 155 – SENTATE ENROLLED ACT 363 – EFFECTIVE VARIOUS DATES. LICENSING. Makes various changes to licensing procedures including situations for which the Department of Education would revoke the license of a school employee.

PUBLIC LAW 166 - SENATE ENROLLED ACT 533 - EFFECTIVE JULY 1, 2011 DESIGN BUILD PUBLIC WORKS

Amends various chapters and sections of IC 5-30 concerning design build public works including IC 5-30-5-1 to provide in part (a) Except as provided in subsection (c), when design-build contracting is used for a public project, a public agency shall publish a notice of a request for qualifications under IC 5-3-1. The notice must allow at least fourteen (14) days for potential design-builders to respond to the request for qualifications. (b) Subsection (c) applies to a public project for which a public agency uses design-build contracting if: (1) the public agency is a state educational institution; or (2) the public agency is not a state educational institution and the preliminary estimated cost of the public project does not exceed five million dollars (\$5,000,000). (c) A public agency that undertakes a public project to which this subsection applies may publish a notice of a combined request for qualifications and proposals under IC 5-3-1 that includes: (1) the information otherwise required by this chapter; and (2) a request for proposals as otherwise provided under IC 5-30-6. The notice must allow at least thirty (30) days for potential design-builders to respond to the combined request for qualifications and proposals.

Also amends IC 5-30-6-1 to provide (a) If a separate notice of request for qualifications is issued under IC 5-30-5-1(a), the public agency shall issue a request for proposals to the potential design-builders selected under IC 5-30-5-6. (b) Each request for proposals must contain a design criteria package. (c) If a public project is a controlled project (as defined in IC 6-1.1-20-1.1) for which a referendum is to be held, a request for proposals may not be issued until after the public agency proposing the controlled project has completed the procedures described in IC 6-1.1-20-3.6.

PUBLIC LAW 168 - SENATE ENROLLED ACT 576 – EFFECTIVE JULY 1, 2011. WORKERS COMPENSATION. Adds and makes several changes to IC 22-3 regarding the worker's compensation laws. Increases civil penalties for failure to post notices, file certain records, and failure to provide proof of coverage. Increases criminal penalties for an employer's failure to insure or provide adequate security for the employer's worker's compensation and occupational disease liabilities.

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PUBLIC LAW 171 - SENATE ENROLLED ACT 590 - EFFECTIVE JULY 1, 2011. RESTRICTIONS ON PUBLIC BENEFITS TO ILLEGAL ALIENS.

Adds IC 12-32-1-5 to provide in part (a) Notwithstanding any other provision of law and except as otherwise provided under federal law, an agency or a political subdivision shall verify, in the manner required under section 6 of this chapter, the eligibility of any individual who: (1) is at least eighteen (18) years of age; and (2) applies for state or local public benefits or federal public benefits that are provided by the agency or the political subdivision. IC 12-32-1-6 to provide An agency or a political subdivision required to verify the eligibility of an individual under section 5 of this chapter shall: (1) require the individual to execute a verification stating under penalty of perjury that the individual is a: (A) United States citizen; or (B) qualified alien (as defined under 8 U.S.C. 1641); and (2) maintain a verification executed in accordance with subdivision (1) for at least five (5) years. IC 12-32-1-9 to provide The state board of accounts: (1) shall adopt rules under IC 4-22-2, applicable to all political subdivisions, to carry out this chapter; and (2) may adopt a variation of the requirements set forth in this chapter, applicable to all political subdivisions, to provide for an adjudication in the case of unique individual circumstances under which the procedures set forth in this chapter would impose an unusual hardship on a legal resident of Indiana. The State Board of Accounts anticipates creating a form for compliance.

PUBLIC LAW 172 - HOUSE ENROLLED ACT 1004 - EFFECTIVE VARIOUS DATES. ANNUAL REPORTS, PUBLIC WORK AND LOCAL GOVERNMENTS MATTERS.

Annual Reports

Amends IC 5-11-1-4 to provide in part: (b) The department of local government finance may not approve the budget of a political subdivision or a supplemental appropriation for a political subdivision until the political subdivision files an annual report under subsection (a) for the preceding calendar year. Provides a similar change to IC 5-11-13-1 (b).

Traditionally, the State Board of Accounts has recognized the Form Nine Biannual Financial Reports filed with the Department of Education as fulfilling the requirements of IC 5-11-1-4. Accordingly, school corporations should ensure timely filing of the Form Nine to avoid the possibility of a penalty as provided by IC 5-11-1-4(b)

Adds IC 6-1.1-17-16.2 to provide the department of local government finance may not approve the budget of a taxing unit or a supplemental appropriation for a taxing unit until the taxing unit files an annual report under IC 5-11-1-4 or IC 5-11-13 for the preceding calendar year, unless the taxing unit did not exist as of March 1 of the calendar year preceding the ensuing calendar year by two (2) years. This section applies to a taxing unit that is the successor to another taxing unit or the result of a consolidation or merger of more than one (1) taxing unit, if an annual report under IC 5-11-1-4 or IC 5-11-13 has not been filed for each predecessor taxing unit.

Nonprofit Audits

Amends IC 5-11-1-9 to raise the maximum amount of public funds that a nonprofit corporation may spend and be subject only to a limited audit of the expenditures of the public funds from \$100,000 to \$200,000.

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PUBLIC LAW 172 - HOUSE ENROLLED ACT 1004 - EFFECTIVE VARIOUS DATES. ANNUAL REPORTS, PUBLIC WORK AND LOCAL GOVERNMENTS MATTERS. (Continued)

Public Work

Amends IC 5-11-1-26 to provide in part (b) If a municipality or a county performs a public work by means of its own workforce under IC 36-1-12-3, the state board of accounts shall include the following in each examination report concerning the municipality or county: (1) An opinion concerning whether the municipality or county has complied with IC 36-1-12-3 for each public work performed by the entity's own workforce. (2) A brief description of each public work that the municipality or county has performed with its own workforce under IC 36-1-12-3, including a calculation of the actual cost of each public work under IC 36-1-12-3. (3) An opinion concerning whether the municipality or county has complied with IC 36-1-12-19 in calculating the actual costs of a public work project performed under IC 36-1-12-3.

Transparencies

Adds IC 5-14-3.7 concerning access to Financial Data for Local Schools.

Purchases Preferences

Adds IC 5-22-15-20.9 to provide in part (a) This section applies only to a contract awarded by a political subdivision. . . . (d) There are the following price preferences for supplies purchased from a local Indiana business: (1) Five percent (5%) for a purchase expected by the purchasing agency to be less than fifty thousand dollars (\$50,000). (2) Three percent (3%) for a purchase expected by the purchasing agency to be at least fifty thousand dollars (\$50,000) but less than one hundred thousand dollars (\$100,000). (3) One percent (1%) for a purchase expected by the purchasing agency to be at least one hundred thousand dollars (\$100,000). (e) Notwithstanding subsection (d), a purchasing agency may award a contract to the lowest responsive and responsible offeror, regardless of the preference provided in this section, if the lowest responsive and responsible offeror is a local Indiana business. (f) A business that wants to claim a preference provided under this section must do all the following: (1) State in the business's bid that the business claims the preference provided by this section. (2) Provide the following information to the purchasing agency: (A) The location of the business's principal place of business. If the business claims the preference as a local Indiana business described in subsection (c)(1), a statement explaining the reasons the business considers the location named as the business's principal place of business. (B) The amount of the business's total payroll and the amount of the business's payroll paid to residents of affected counties. (C) The number of the business's employees and the number of the business's employees who are residents of affected counties. (D) If the business claims the preference as a local Indiana business described in subsection (c)(4), a description of the capital investments made in the affected counties and a statement of the amount of those capital investments. (E) If the business claims the preference as a local Indiana business described in subsection (c)(5), a description of the substantial positive economic impact the business has on the affected counties.

School Bus Replacement

Amends IC 20-46-5-4 to provide in each school corporation may levy for a calendar year a property tax for the fund in accordance with the school bus acquisition plan adopted under this chapter. The levy imposed for the March 1, 2011, and January 15, 2012, assessment dates may not exceed the amount approved by the department of local government finance under section 5 of this chapter and IC 6-1.1-17. In setting the levy for the March 1, 2011, and January 15, 2012, assessment dates, the department of local government finance shall evaluate whether the levy proposed by a school corporation exceeds the reasonable needs of the school corporation to carry out the purposes of the fund and approve a levy that does not exceed the reasonable needs of the school corporation to carry out the purposes of this chapter. In making its determination, the department of local government finance may consider whether a school corporation has in a previous year transferred money from the fund to the school corporation's rainy day

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School Bus Replacement (Continued)

fund or a fund other than the school bus replacement fund. A levy imposed for an assessment date after January 15, 2012, may not exceed an amount determined by multiplying: (1) the school corporation's maximum permissible levy determined under this section for the previous year, after eliminating the effects of temporary excessive levy appeals and any other temporary adjustments made to the levy for the calendar year (regardless of whether the school corporation imposed the entire amount of the maximum permissible levy in the immediately preceding year); by (2) the assessed value growth quotient determined under IC 6-1.1-18.5-2.

Amends IC 20-46-5-6.1 to provide in (b) Before a governing body may collect property taxes for the fund in a particular calendar year, the governing body must, after January 1 and not later than November 1 of the immediately preceding year: (1) conduct a public hearing on; and (2) pass a resolution to adopt; a plan.

CPF

Amends IC 20-46-6-8.1 to provide in part (b) Before a governing body may collect property taxes for a capital projects fund in a particular year, the governing body must: (1) after January 1; and (2) not later than November 1; of the immediately preceding year, hold a public hearing on a proposed or amended plan and pass a resolution to adopt the proposed or amended plan.

Public Work

Amends IC 36-1-12-3 to provide in part (a) The board may purchase or lease materials in the manner provided in IC 5-22 and perform any public work, by means of its own workforce, without awarding a contract whenever the cost of that public work project is estimated to be less than one hundred fifty thousand dollars (\$150,000 . . . (b) This subsection applies only to a municipality or a county. The workforce of a municipality or county may perform a public work described in subsection (a) only if: (1) the workforce, through demonstrated skills, training, or expertise, is capable of performing the public work; and (2) for a public work project under subsection (a) whose cost is estimated to be more than one hundred thousand dollars (\$100,000), the board: (A) publishes a notice under IC 5-3-1 that: (i) describes the public work that the board intends to perform with its own workforce; and (ii) sets forth the projected cost of each component of the public work as described in subsection (a); and (B) determines at a public meeting that it is in the public interest to perform the public work with the board's own workforce. A public work project performed by a board's own workforce must be inspected and accepted as complete in the same manner as a public work project performed under a contract awarded after receiving bids.

Amends IC 36-1-12-4 to provide in part (a) This section applies whenever the cost of a public work project will be: (1) except as provided in subdivision (2), at least one hundred fifty thousand dollars (\$150,000).

Amends IC 36-1-12-4.7 to provide in part (a) This section applies whenever a public work project is estimated to cost : (1) except as provided in subdivision (2), at least fifty thousand dollars (\$50,000) and less than one hundred fifty thousand dollars (\$150,000); . . . (b) The board must proceed under the following provisions: (1) The board shall invite quotes from at least three (3) persons known to deal in the class of work proposed to be done by mailing them a notice stating that plans and specifications are on file in a specified office. The notice must be mailed not less than seven (7) days before the time fixed for receiving quotes. (2) The board may not require a person to submit a quote before the meeting at which

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Public Work (Continued)

quotes are to be received. The meeting for receiving quotes must be open to the public. All quotes received shall be opened publicly and read aloud at the time and place designated and not before. (3) Except as permitted in section 22 of this chapter after June 30, 2011, the board shall award the contract for the public work to the lowest responsible and responsive quoter. (4) The board may reject all quotes submitted.

Adds IC 36-1-12-22 (a) The definitions in IC 5-22-15, including the definitions in IC 5-22-15-20.9, apply in this section. (b) The procedures described in IC 5-22-15 for determining adjusted offers, price preference percentage, and total adjusted offers apply in this section. (c) The price preferences stated in IC 5-22-15-20.9 apply in this section. (d) Notwithstanding provisions of this chapter that require the award of a contract to the lowest responsive and responsible bidder or the lowest responsive and responsible quoter, but subject to subsection (e), a contract shall be awarded to the lowest responsive and responsible local Indiana business that claims the preference provided by this section. (e) Notwithstanding subsection (d), a contract shall be awarded to the lowest responsive and responsible bidder or quoter, regardless of the preference provided in this section, if the lowest responsive and responsible bidder or quoter is a local Indiana business. (f) A bidder or quoter that wants to claim the preference under this section must claim the preference in the same manner that a business claims the preference under IC 5-22-15-20.9(f).

PUBLIC LAW 179 - HOUSE ENROLLED ACT 1074 - EFFECTIVE JULY 1, 2011. SELECTION OF SCHOOL BOARD MEMBERS.

Amends various sections of the Indiana Code concerning the election and appointment of the members of a school board.

Adds IC 36-1-12-22 (a) The definitions in IC 5-22-15, including the definitions in IC 5-22-15-20.9, apply in this section. (b) The procedures described in IC 5-22-15 for determining adjusted offers, price preference percentage, and total adjusted offers apply in this section. (c) The price preferences stated in IC 5-22-15-20.9 apply in this section. (d) Notwithstanding provisions of this chapter that require the award of a contract to the lowest responsive and responsible bidder or the lowest responsive and responsible quoter, but subject to subsection (e), a contract shall be awarded to the lowest responsive and responsible local Indiana business that claims the preference provided by this section. (e) Notwithstanding subsection (d), a contract shall be awarded to the lowest responsive and responsible bidder or quoter, regardless of the preference provided in this section, if the lowest responsive and responsible bidder or quoter is a local Indiana business. (f) A bidder or quoter that wants to claim the preference under this section must claim the preference in the same manner that a business claims the preference under IC 5-22-15-20.9(f).

PUBLIC LAW 185 – HOUSE ENROLLED ACT 1129 – EFFECTIVE JULY 1, 2011. TEXT MESSAGING WHILE DRIVING.

Adds IC 9-13-2-177.4, IC 9-21-8-0.5 and IC 9-21-8-59 and amends IC 9-13-2-177.3. IC 9-21-8-59 provides in part A person may not use a telecommunications device to: (1) type a text message or an electronic mail message; (2) transmit a text message or an electronic mail message; or (3) read a text message or an electronic mail message; while operating a moving motor vehicle unless the device is used in conjunction with hands free or voice operated technology, or unless the device is used to call 911 to report a bona fide emergency.

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PUBLIC LAW 188- HOUSE ENROLLED ACT 1174 - EFFECTIVE JULY 1, 2011. SALE OF REAL PROPERTY.

Amends IC 36-1-11-4 to eliminate in part (b) the requirement concerning a joint appraisal of the property.

Also amends various sections to provide (f) The disposing agent may, before expiration of the time set out in the notice, sell the property to the highest and best bidder. The highest and best bidder must have complied with any requirement under subsection (c)(4). However, the disposing agent may sell the property for less than ninety percent (90%) of the average of the two (2) appraisals of the tracts only after an additional notice stating the amount of the bid to be accepted is published in accordance with IC 5-3-1. The disposing agent may reject all bids. If the disposing agent rejects all bids, the disposing agent must make a written determination to reject all bids explaining why all bids were rejected. (g) If the disposing agent determines that, in the exercise of good business judgment, the disposing agent should hire a broker or auctioneer to sell the property, the disposing agent may do so and pay the broker or auctioneer a reasonable compensation out of the gross proceeds of the sale. A disposing agent may hire a broker to sell real property directly rather than using the bid process under subsections (c) through (f) if: (1) the disposing agent publishes a notice of the determination to hire the broker in accordance with IC 5-3-1; and (2) the property has been up for bid for at least sixty (60) days before the broker is hired, and either no bids were received or the disposing agent has rejected all bids that were received. The disposing agent may hire one (1) of the appraisers as the broker or auctioneer. (h) The following apply if a broker is hired under subsection (g): (1) The property may not be sold to a person who is ineligible under section 16 of this chapter. (2) If the property is sold to a trust (as defined in IC 30-4-1-1(a)), the following information must be placed in the public record relating to the sale: (A) Each beneficiary of the trust. (B) Each settlor empowered to revoke or modify the trust.

Also amends IC 36-1-11-4.2 concerning a disposing agent who wants to sell or transfer real property not acquired through eminent domain procedures.

Adds IC 36-1-11-4.3 Notwithstanding any provision of this chapter, a sale or transfer under this chapter of property constituting a public easement or right of way does not deprive a public utility of the use of all or part of the public easement or right of way that is sold or transferred if, at the time of the sale or transfer, the public utility is occupying and using all or part of that public easement or right of way for the location and operation of its facilities.

Amends IC 36-1-11-5 concerning procedures to sell property to an abutting landowner also apply to property that has not been assessed and was previously part of a public right-of-way.

Amends IC 36-1-11-10 in part: (c) The disposing agent shall receive bids in the manner prescribed in section 4 of this chapter and lease the property to the highest and best bidder. The disposing agent may reject all bids. If the disposing agent rejects all bids, the disposing agent must make a written determination to reject all bids explaining why all bids were rejected . . . (g) The disposing agent may lease the real property under this section for a value that is less than ninety percent (90%) of the appraised fair market rental value as determined by the average of the two (2) appraisals under section 4(b) of this chapter only after publishing an additional notice in accordance with IC 5-3-1, stating the amount of the bid to be accepted. If the disposing agent rejects all bids, the disposing agent must make a written determination to reject all bids explaining why all bids were rejected.

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PUBLIC LAW 192 - HOUSE ENROLLED ACT 1203 - EFFECTIVE JULY 1, 2011. EMPLOYEE REPRESENTATION CAMPAIGNS.

Adds IC 22-6-5 (a) This chapter applies to any election that is required or permitted by Indiana or federal law for the designation, authorization, or retention of employee representation. (b) This chapter does not apply to the extent that it conflicts with: (1) the federal National Labor Relations Act (20 U.S.C. 151 et seq.); or (2) another federal law or regulation concerning labor relations or labor organizations. The right of any individual to vote by secret ballot in an election is guaranteed. The right of any employer to engage in a campaign in connection with an election is guaranteed. The results of an election that violates this chapter are void.

PUBLIC LAW 195 - HOUSE ENROLLED ACT 1216 - EFFECTIVE JULY 1, 2011. PUBLIC WORK PROJECTS COMMON CONSTRUCTION.

Amends IC 5-16-7-1 to provide in part (m) Notwithstanding any other law, this chapter does not apply to projects in which the actual construction costs are less than the following: (1) For contracts awarded after December 31, 2011, and before January 1, 2013, two hundred fifty thousand dollars (\$250,000). (2) For contracts awarded after December 31, 2012, three hundred fifty thousand dollars (\$350,000).

Also adds IC 5-16-7-6 to provide (a) A public work project may not be artificially divided into two (2) or more projects to avoid the application of this chapter. (b) A bidder, quoter, or other person who is a party to a public work contract who knowingly violates this section commits a Class A infraction and may not be a party to, or benefit from, a public work contract for two (2) years after the date of the adjudication. (c) An officer or employee of the state or a municipal corporation who knowingly violates this section commits a Class A infraction.

PUBLIC LAW 198 - HOUSE ENROLLED ACT 1238 - EFFECTIVE VARIOUS DATES. ADVOCACY WITH PUBLIC FUNDS.

Amends IC 6-1.1-20-3.1 to provide in part (c) This subsection applies only to a political subdivision that, after April 30, 2011, adopts an ordinance or a resolution making a preliminary determination to issue bonds or enter into a lease subject to this section and section 3.2 of this chapter. A political subdivision may not artificially divide a capital project into multiple capital projects in order to avoid the requirements of this section and section 3.2 of this chapter.

Adds and amends IC 6-1.1-20 concerning ballot language.

Makes various changes to IC 6-1.1-20 concerning advocacy on referendums.

Adds IC 20-46-1-19.5 to provide (a) If a referendum is approved by the voters in a school corporation under this chapter in a calendar year, another referendum may not be placed on the ballot in the school corporation under this chapter in the following calendar year. (b) Notwithstanding any other provision of this chapter and in addition to the restriction specified in subsection (a), if a school corporation imposes in a calendar year a referendum levy approved in a referendum under this chapter, the school corporation may not simultaneously impose in that calendar year more than one (1) additional referendum levy approved in a subsequent referendum under this chapter.

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PUBLIC LAW 198 - HOUSE ENROLLED ACT 1238 - EFFECTIVE VARIOUS DATES. ADVOCACY WITH PUBLIC FUNDS. (Continued)

Adds IC 20-46-1-20 (a) Except as otherwise provided in this section, during the period beginning with the adoption of a resolution by the governing body of a school corporation to place a referendum under this chapter on the ballot and continuing through the day on which the referendum is submitted to the voters, the school corporation may not promote a position on the referendum by doing any of the following: (1) Using facilities or equipment, including mail and messaging systems, owned by the school corporation to promote a position on the referendum, unless equal access to the facilities or equipment is given to persons with a position opposite to that of the school corporation. (2) Making an expenditure of money from a fund controlled by the school corporation to promote a position on the referendum. (3) Using an employee to promote a position on the referendum during the employee's normal working hours or paid overtime, or otherwise compelling an employee to promote a position on the referendum at any time. However, if a person described in subsection (d) is advocating for or against a position on the referendum or discussing the referendum as authorized under subsection (d), an employee of the school corporation may assist the person in presenting information on the referendum, if requested to do so by the person described in subsection (d). (4) Promoting a position on the referendum by: (A) using students to transport written materials to their residences or in any way involving students in a school organized promotion of a position; (B) including a statement within another communication sent to the students' residences; or (C) initiating discussion of the referendum at a meeting between a teacher and parents of a student regarding the student's performance or behavior at school. However, if the parents initiate a discussion of the referendum at the meeting, the teacher may acknowledge the issue and direct the parents to a source of factual information on the referendum. However, this section does not prohibit an official or employee of the school corporation from carrying out duties with respect to a referendum that are part of the normal and regular conduct of the official's or employee's office or agency, including the furnishing of factual information regarding the referendum in response to inquiries from any person. (b) The staff and employees of a school corporation may not personally identify a student as the child of a parent or guardian who supports or opposes the referendum. (c) This subsection does not apply to: (1) a personal expenditure to promote a position on a local public question by an employee of a school corporation whose employment is governed by a collective bargaining contract or an employment contract; or (2) an expenditure to promote a position on a local public question by a person or an organization that has a contract or an arrangement (whether formal or informal) with the school corporation solely for the use of the school corporation's facilities. A person or an organization that has a contract or arrangement (whether formal or informal) with a school corporation to provide goods or services to the school corporation may not spend any money to promote a position on the petition or remonstrance. A person or an organization that violates this subsection commits a Class A infraction.

PUBLIC LAW 200 - HOUSE ENROLLED ACT 1260 - EFFECTIVE JULY 1, 2011. SCHOOL CORPORATION HEALTH INSURANCE.

Adds IC 20-26-17 concerning certain requirements and recommendations for school corporation employee health coverage programs, including IC 20-26-17-3 The employer share of the cost of coverage under a health plan provided by a school corporation for the school corporation's employees may not exceed by more than twelve percent (12%) the employer share of the cost of coverage under the same type of health plan: (1) described in IC 5-10-8-7(b) or IC 5-10-8-7(c); and (2) provided by the state for state employees; for any twelve (12) month period beginning on the first health plan issue or renewal date that occurs after December 31, 2011 program: IC 20-26-17-5 (1) If the school corporation pays a commission, a bonus, an override, a contingency fee, or any other compensation to an insurance producer or

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PUBLIC LAW 200 - HOUSE ENROLLED ACT 1260 - EFFECTIVE JULY 1, 2011. SCHOOL CORPORATION HEALTH INSURANCE. (Continued)

other adviser in connection with the health coverage, the school corporation shall: (A) specify the commission, bonus, override, contingency fee, or other compensation in the school corporation's annual budget fixed under IC 6-1.1-17; and (B) make the information specified under clause (A) available to the public upon request. (2) The school corporation shall perform audits once each five (5) years to ensure that covered dependents of school corporation employees are entitled to coverage under the school corporation's employee health coverage program. (3) The school corporation may allow: (A) members of the school corporation's governing body; or (B) an attorney of the school corporation's governing body; to be covered under the school corporation's employee health coverage program.

Also adds IC 20-26-17-5-6 A school corporation may consider the following best practices with respect to the school corporation's employee health coverage program: (1) Obtaining more than one (1) estimate for the coverage, including use of health care service discounts and medical management, to obtain the most cost savings in the program. (2) Requiring employer contributions of at least fifty percent (50%) and not more than eighty-five percent (85%) of the cost of the coverage. (3) Offering at least one (1) of each of the following, in accordance with the requirements of the Internal Revenue Code, as an option for the school corporation's employees: (A) A high deductible health plan with a health savings account. (B) A health reimbursement arrangement. (4) Offering wellness programs to the school corporation's employees. (5) Either: (A) joining a consortium or trust of school corporations; or (B) electing to participate in the state employee health plan as provided in IC 5-10-8-6.7; to provide school corporation employee health coverage to all school corporation employees. (6) Providing medical clinics on the property of the school corporation for individuals insured under the school corporation employee health coverage program.

Adds IC 20-26-17-5-7 A consortium or trust of school corporations referred to in this chapter shall accept any school corporation for participation in the consortium or trust if the school corporation agrees to participate in the consortium's or trust's best practice requirements.

Also adds IC 20-26-17-5-8 (a) This chapter does not require a school corporation employee to participate in a school corporation's employee health coverage program. (b) With respect to a collective bargaining agreement that is in effect on July 1, 2011, this chapter does not: (1) give a party to the collective bargaining agreement any greater rights under the collective bargaining agreement than the party had before July 1, 2011; or (2) annul, modify, or limit the collective bargaining agreement. IC 20-26-17-9 Not later than December 31 in each calendar year, a school corporation shall report the following information for the school year ending in the calendar year to the legislative council in an electronic format under IC 5-14-6 and the state personnel department: (1) The employer's share of the cost of coverage of the state employee health plan used by the school corporation, in total and separated out to show the amount payable per covered individual by type of family or single coverage plan. (2) The covered individual's share of the cost of coverage of the state employee health plan used by the school corporation, in total and separated out to show the amount payable per covered individual by type of family or single coverage plan. (3) The total cost of coverage incurred by the individual's covered by the health plan and the school corporation. A school corporation shall provide additional information, data, and documentation that is requested by the state personnel department to substantiate compliance with this section.

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PUBLIC LAW 202 - HOUSE ENROLLED ACT 1297 - EFFECTIVE MAY 10, 2011. PUBLIC DEPOSITORIES.

Amends IC 5-13-9-8 to provide in part the service charge may be paid: (1) by direct charge to the deposit or other account; or (2) in a manner that subtracts the service charge from interest earned on the funds in the deposit or other account.

Amends IC 5-13-9.5-1 to provide in part: (c) A financial institution is ineligible to become a depository and receive public funds of the state if either of the following applies: (1) The institution fails to maintain a capital ratio in excess of the minimum required by the governmental supervisory body of the institution. However, the requirement set forth in this subdivision does not apply if the institution has fully collateralized the institution's public funds on deposit by pledging and delivering acceptable collateral to the board for depositories, or to the board's agent, in accordance with IC 5-13-13 and with any applicable rules of the board.

Amends IC 5-13-11-3 to provide in part the contract may provide for the depository to assess a service charge for its management of the investment cash management system. The service charge may be paid: (1) by direct charge to the deposit or other account; or (2) in a manner that subtracts the service charge from interest earned on the funds in the deposit or other account.

PUBLIC LAW 211 - HOUSE ENROLLED ACT 1538 - EFFECTIVE JULY 1, 2011. MINIMUM WAGE REQUIRED BY LOCAL UNITS.

Adds IC 22-2-2-10.5 (a) As used in this section, "unit" has the meaning set forth in IC 36-1-2-23. (b) Unless federal or state law provides otherwise, a unit may not: (1) establish; (2) mandate; or (3) otherwise require; a minimum wage that exceeds the minimum wage required by section 4 of this chapter or by the federal minimum hourly wage prescribed by 29 U.S.C. 206(a)(1). (c) This section does not limit the authority of a unit to establish wage rates in a contract to which the unit is a party.

PUBLIC LAW 218 - SENATE ENROLLED ACT 388 - EFFECTIVE JULY 1, 2011. SWAP AGREEMENTS.

Adds IC 5-1-14-17.2 concerning Swap agreements with certain requirements. IC 8-9.5-9-4 defines "Swap agreement"

Amends IC 5-1-14-1.3 to provide in part: (3) "Swap agreement" has the meaning set forth in IC 8-9.5-9-4, except that the term includes a swap agreement entered into by an issuing body (as defined in section 17.2(b) of this chapter) only if any part of the payments owed by the issuing body under the agreement, including any termination or settlement payments, is payable out of: (A) tax revenues; or (B) a special assessment. Provides in part IC 5-1-14-17.2 (c) This section provides restrictions on any issuing body entering into a swap agreement and does not authorize an issuing body to enter into a swap agreement separate from any other authority the issuing body has for entering into a swap agreement. (d) For an issuing body that is authorized by another law to enter into swap agreements, the issuing body: (1) may enter into a swap agreement only in connection with the financing activities of the issuing body as provided in this section; and (2) may not enter into a swap agreement as an investment.

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PUBLIC LAW 229 - HOUSE ENROLLED ACT 1001 - EFFECTIVE VARIOUS DATES. 1001. STATE BUDGET BILL.

Provides for the school corporation funding formula and various grants.

Provides for Excellence in Performance Award Grants. Please use Receipt Account 3990, Fund 3145.

State Civil Service

Adds IC 4-15-2.2-50 concerning the State Civil Service System to provide in part: The director may enter into an agreement with a political subdivision (as defined in IC 36-1-2-13) to furnish services related to or involving the administration of the political subdivision's personnel system. The agreement must provide for the reimbursement to the state of the reasonable cost, as determined by the director, of the services and facilities furnished. All political subdivisions are authorized to enter into such agreements.

Bond Refunding

Adds IC 5-1-5-2.5 concerning retired and refunded bond issues and procedures related thereto.

Adds IC 20-46-7-15 concerning a school corporation may request to continue to impose a debt service levy regarding retired or refunded bonds under IC 5-1-5-2.5 and possible transfers.

Amends IC 5-1-5-18 to provide in part: (c) An increment as computed under section 2.5 of this chapter that occurs from the issuance of bonds by an eligible school corporation to retire or otherwise refund other bonds as provided in section 2.5 of this chapter may be used only to make transfers permitted by IC 20-46-7-15 for the eligible school corporation.

Transfer Tuition

Amends IC 20-26-11-13 concerning transfer tuition definitions.

Adds IC 20-24-7-6-5 concerning transfers to conversion charter schools.

Turnaround Academies

Adds IC 20-31-9.5-3 concerning Turnaround Academies to provide in part: (d) The department shall do the following: (1) Withhold from state tuition support and federal funds otherwise to be distributed to the school corporation of the school operated as a turnaround academy under this chapter the amount determined under subsection (c) for the affected students. The amount withheld under this subdivision may not exceed the total per pupil funding for the affected students. (2) Enter into any contracts necessary to implement the options for improvement implemented for the school by the state board, including contracts with a special management team assigned under IC 20-31-9-4 to operate the school as a turnaround academy. (3) Make payments under the contracts entered into under subdivision (2) with funds withheld from the school corporation under subdivision (1).

Textbook Reimbursements

Amends IC 20-33-5-7 concerning textbook reimbursements and adds IC 20-33-5-9.5 to provide (a) This section applies to reimbursements made under this chapter in calendar year 2012 and thereafter. (b) The amount of reimbursement that a school corporation or an accredited nonpublic school is entitled to receive under section 7 of this chapter in a calendar year is equal to the amount determined in the following STEPS: STEP ONE: Determine the amount appropriated to make reimbursements under this chapter for the state fiscal year ending in the calendar year. STEP TWO: Determine the total number of eligible students for which reimbursement was requested under either section 7 or 9 of this chapter before November 1 of the previous calendar year by all school corporations and accredited nonpublic schools.

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Textbook Reimbursements (Continued)

STEP THREE: Divide the result determined in STEP ONE by the number determined in STEP TWO:
STEP FOUR: Multiply: (A) the STEP THREE result; by (B) the number of eligible students for which reimbursement was requested under section 7 or 9 of this chapter before November 1 of the previous calendar year by the school corporation or the accredited nonpublic school.

CPF

Reinstates to IC 20-40-8-16 provisions AMENDED BY SEA-575-2011. To provide in part (c) Payment may be made under this section for employee services described in subsection (b) only if: (1) the employees perform: (A) construction of; (B) renovation of; (C) remodeling of; (D) repair of; or (E) maintenance on; the facilities and equipment specified in sections 10 and 11 of this chapter; (2) the total of all annual salaries and benefits paid by the school corporation to employees described in this section is at least six hundred thousand dollars (\$600,000); and (3) the payment of the employees described in this section is included as part of the school corporation's proposed plan. (d) The number of employees covered by this section is limited to the number of employee positions described in this section that existed in the school corporation on January 1, 1993.

Amends IC 20-43-1-1 to provide the article expires January 1, 2014.

Honors Diplomas

Amends IC 20-43-10-2 [EFFECTIVE JANUARY 1, 2012]: to provide (a) A school corporation's honors diploma award for a calendar year is the amount determined under STEP FOUR of the following formula: STEP ONE: Determine the number of the school corporation's eligible pupils who successfully completed an academic honors diploma program in the school year ending in the previous calendar year. STEP TWO: Determine the result of: (A) the number of the school corporation's eligible pupils who successfully completed a Core 40 diploma with technical honors program in the school year ending in the previous calendar year; minus (B) the number of eligible pupils who would otherwise be double counted under both clause (A) and STEP ONE. STEP THREE: Determine the sum of the number of eligible students determined under STEP ONE and the number of eligible students determined under STEP TWO. STEP FOUR: Multiply the STEP THREE amount by nine hundred dollars (\$900). (b) An amount received by a school corporation as an honors diploma award may be used only for: (1) any: (A) staff training; (B) program development; (C) equipment and supply expenditures; or (D) other expenses; directly related to the school corporation's honors diploma program; and (2) the school corporation's program for high ability students. (c) A governing body that does not comply with this section for a school year is not eligible to receive an honors diploma award for the following school year.

Debt

Amends IC 20-46-7-12 to provide in part: (b) If a school corporation is an eligible school corporation under IC 5-1-5-2.5, the school corporation may extend the repayment period beyond the maximum repayment period that applied to the bond, loan, or lease at the time the obligation was incurred as provided by IC 5-1-5-2.5.

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PUBLIC LAW 229 - HOUSE ENROLLED ACT 1001 - EFFECTIVE VARIOUS DATES. 1001. STATE BUDGET BILL. (Continued)

Transfers

Add a non code SECTION 301. [EFFECTIVE JULY 1, 2011] (a) This SECTION applies notwithstanding the repeal of IC 20-40-16 by this act. (b) If a transfer is made under IC 20-40-16 during the 2010-2011 school year, the school corporation shall file a report with the department of education before October 1, 2011. The report must include the following: (1) The purpose of the transfer. (2) The funds involved in the transfer. (3) The amount transferred between the funds. (4) The impact of the transfer to the programs that are supported by the fund from which the transfer was made. (c) This SECTION expires December 31, 2011.