



Indiana Department of Education

Dr. Katie Jenner, Secretary of Education

To: Superintendents, Chief Financial Officers, Business Officers, and Treasurers

From: Brenda Erbse, Senior Director Office of School Finance

Date: March 6, 2025

Subject: Advancements from the Common School Fund- School Corporations

The Indiana Department of Education's (IDOE's) Office of School Finance will be accepting applications for construction and technology loans from school corporations and school corporation career and technical education schools beginning Friday, March 7. Applications can be found in the Public School Finance Community in Moodle under Common School Funds > Spring. Completed applications must be received by the Office of School Finance by Friday, April 4 to be considered. Officials requesting approval of an advance must email the completed application to commschofund@doe.in.gov.

The loan process includes the following:

- School official must email a completed advancement application and any supporting documentation during the application window to commschofund@doe.in.gov.
- Indiana Department of Education (IDOE) will review the information and prepare a summary for consideration by the State Board of Education (SBOE).
- SBOE acts on the applications at a public meeting.
- IDOE notifies applicants of the SBOE action on the request.
- IDOE notifies the Treasurer of State's (TOS) office of approved loans.
- TOS follows up with the school corporation regarding advancement terms and the corresponding amortization schedule.
- IDOE adjusts tuition support for repayment of the loan according to the repayment information provided by TOS.

Construction advance

IC 20-49-4-7(a)(1) defines a school building construction program for school corporation as, "The purchase, lease, or financing of land, the construction and equipping of school buildings, and the remodeling, repairing, or improving of school buildings by a school corporation:

- (A) that sustained a loss from a disaster;
- (B) whose assessed valuation per current ADM is within the lowest forty percent (40%) of assessed valuation per current ADM when compared with all school corporation assessed valuation per current ADM; or
- (C) with an advance under this chapter outstanding on July 1, 1993, that bears interest of at least seven and one-half percent (7.5%)."



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An advance may not be approved unless the school corporation has a three-year technology plan. (See IC 20-20-13-7) Facilities used or to be used primarily for interscholastic or extracurricular activities are not eligible for an advance.

Construction advances must be used within two years after the SBOE approves the advance, with at least fifty percent of the advance used within one year after the SBOA approves the advance. The maximum term of the loan is twenty five years, and the maximum loan amount is \$15 million dollars.

Educational Technology Advance

Education technology programs mean the purchase, lease or financing of educational technology equipment, operation of the educational technology equipment, and training of teachers in the use of the equipment. (See IC 20-49-4-5) This also includes hardware and operational software used by students. Items not eligible for an advance include salaries and fringe benefits of school personnel or items with a useful life of less than one year. Examples include technology instructors, supplies, or software subscriptions.

School corporations pursuing technological advances must develop a three-year technology plan. Technology advances must be used within one year after the SBOE approves the advance. The maximum term is five years with the maximum loan amount based on the certified membership count of the school multiplied by \$100.

For questions concerning the advancement process, please email us at commschofund@doe.in.gov.