



# Indiana Department of Education

Dr. Katie Jenner, Secretary of Education

**To: Superintendent, Union-North United School Corp, 7215**

**Copy: School Business Officer and School Governing Body**

**From: Brenda Erbse, Department Director, Office of School Finance**

**Date: March 26, 2024**

**Re: Excessive Education Fund Transfer List**

Based on the requirements of Indiana Code 20-40-2-9, Union-North United School Corp transferred more than fifteen percent of total Education fund revenue in calendar year 2023. Therefore, the school corporation did not meet the education fund transfer target percentage for calendar year 2023 and is subject to further review. Based on Form 9 financial data filed with the Indiana Department of Education (IDOE), the following determination was made:

1. Total revenue deposited into the Education Fund for CY 2023	\$9,671,136.92
2. Total transfer amount from the Education to Operations fund	Data unavailable
3. Education to Operations transfers as percent of total Education Fund revenue	Data unavailable

Based on the information, the school corporation shall do the following:

1. Publicly acknowledge receipt of this notice at the next meeting of the school governing body,
2. Enter into the school governing body's official meeting minutes acknowledgement of this notice, and
3. Within thirty days, publish IDOE's notice, and any relevant individual reports prepared by IDOE on the school corporations internet site.

The school corporation has ninety days from the date of this notice to prepare and submit to the Distressed Unit Appeals Board (DUAB) and IDOE explanatory documentation to explain the following:

"I.C. 20-40-2-10(b)

- (1) How and why the school corporation's leadership believes the school corporation failed to meet the education fund transfer target percentage.
- (2) The steps the school corporation's leadership is planning or actively taking to budget and spend during the next calendar year to meet the education fund transfer target percentage for the next calendar year."

Please present the information prepared and shared with DUAB and IDOE to the school governing body at its next public meeting. The governing body shall enter documentation and discussion as part of its official minutes for that meeting. A checklist and frequently asked questions document are attached to the memorandum to assist in this process.

Please email or mail a complete copy of the information to:

Distressed Unit Appeal Board  
Peter Miller, Executive Director  
100 N. Senate Ave.  
IGCN, 10<sup>th</sup> Floor  
Indianapolis, IN 46204  
[indicators@duab.in.gov](mailto:indicators@duab.in.gov)

Indiana Department of Education  
Brenda Erbse, Dept. Director, School Finance  
100 N. Senate Ave.  
IGCN, 9<sup>th</sup> Floor  
Indianapolis, IN 46204  
[berbse@doe.in.gov](mailto:berbse@doe.in.gov)



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## Excessive Education Fund Transfer Checklist for Affected School Corporations

The following information should be considered in response to placement on the Excessive Education Fund Transfer List.

1. Date of Indiana Department of Education (IDOE) notification of placement on the Excessive Education Fund Transfer List. MARCH 26, 2024
2. Date of acknowledgement by superintendent of placement on the Excessive Education Fund Transfer list at the next school governing body meeting following notification of placement on the list. Note the acknowledgement is required to be entered into the meeting minutes.  
April 16, 2024
3. Internet link where the school published IDOE's notice and relevant reports within 30 days of acknowledgement at the public meeting. Unionnorth.org/Important-documents /
4. Date of submission of Explanatory Documentation to IDOE and to the Distressed Unit Appeals Board (must be within ninety days of the initial notice by the Department of Education).  
April 26, 2024
5. Does the Explanatory Documentation include answers to the following questions?  
Please See Attachment
  - a. How and why the school corporation's leadership believes the school corporation failed to meet the education fund transfer target percentage for the previous calendar year. (yes) (no)
  - b. The steps the school corporation's leadership is planning or actively taking to budget and spend during the next calendar year to meet the education fund transfer target percentage for the next calendar year. (yes) (no)
6. Does the school corporation have additional comments or supporting documentation that would be helpful for IDOE and the Distressed Unit Appeals Board review? If so, please include a copy. (yes) (no)

Please include a copy of this checklist with the submission of Explanatory Documentation to IDOE and the Distressed Unit Appeals Board. Note that Explanatory Documentation must be presented at the next public meeting of the school governing body, entered into the minutes, and posted on the school corporation internet link with the other related documentation.

**Email information to:** [schoolfinance@doe.in.gov](mailto:schoolfinance@doe.in.gov) and [duab@duab.in.gov](mailto:duab@duab.in.gov)

a. How and why the school corporation's leadership believes the school corporation failed to meet the education fund transfer target percentage for the previous calendar year. (yes) (no)

The school corporation failed to meet the education fund transfer of 15% by .34% transferring 15.34%. This was due to not making an adjustment to the transfer amount when the state tuition support was reduced with the Fall ADM count.

We believe the excessive transfer was due to the lack of a formal review process to verify transfer compliance.

b. The steps the school corporation's leadership is planning or actively taking to budget and spend during the next calendar year to meet the education fund transfer target percentage for the next calendar year. (yes) (no)

The district has engaged with its financial advisor to ensure a timelier submission of Form 9. In addition, to ensure compliance moving forward, the district intends to incorporate a review of transfers into its monthly cash flow monitoring process.

6. Does the school corporation have additional comments or supporting documentation that would be helpful for IDOE and the Distressed Unit Appeals Board review? If so, please include a copy. (yes) (no)

See attached memo.

To: School Board of Trustees

From: Jill Wagoner, Business Manager/Corporation Treasurer

Date: April 16, 2024

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Re: Excessive Education Fund Transfer Corrective Action Plan

Upon finalizing and submitting the 7/1/2024 – 12/31/2024 Form 9 data, we believe the school district was not in compliance with the 15% transfer threshold from the Education fund to the Operations fund. Utilizing the calculation formula as described in the March 26, 2024 notification memo, we calculate the following:

1. Total revenue deposited into the Education Fund for CY 2023	\$9,671,136.92
2. Total transfer amount from the Education to Operations fund for CY 2023	\$1,483,572.00
3. Education to Operations transfers as a percentage of total Education Fund Revenue	15.34%

We believe the excessive transfer was due to the lack of a formal review process to verify transfer compliance.

The district has engaged with its financial advisor to ensure a timelier submission of Form 9. In addition, to ensure compliance moving forward, the district intends to incorporate a review of transfers into its monthly cash flow monitoring process.