



MEMORANDUM

TO: State Board of Education

FROM: Debra Hineline, Director  
Office of Financial Management, Analysis and Reporting

SUBJECT: Common School Fund Advancements for Charter Schools

DATE: September 24, 2007

From August 17, 2007 through September 17, 2007, the Office of Financial Management, Analysis and Reporting received and evaluated petitions for Charter School advancements from the Common School Fund under I.C. 20-49-7 from five Charter Schools.

Based on our review and evaluation, we make the following recommendation for funding of three Charter Schools in the following amounts, subject to verification of ADM Counts:

|      |                                     |                     |
|------|-------------------------------------|---------------------|
| 9340 | ew Community School                 | \$ 61,373.00        |
| 9635 | IPP Lead College Preparatory - Gary | 33,869.00           |
| 9785 | diana Math & Science Academy - Indy | <u>809,751.00</u>   |
|      | <b>TOTAL</b>                        | <b>\$904,993.00</b> |

Charles A Tindley Accelerated School also requested an advancement in the amount of \$501,642.35. The school received an advance in 2006-2007 school year for \$301,743.00, based on anticipated growth of 15%. This growth did not materialize and the actually had a decline in enrollment from 2005-2006 school year to the 2006-2007 school year. The school therefore was not eligible to receive a loan. For the 2007-2008 school year, the school submitted a list of student names that would suggest the school has grown by 55% over the 2006-2007 enrollment. If this is true, the school would be eligible for a loan of \$490,332 for this year. If the ADM count verifies this growth, the Department proposes to award a loan of \$188,589.00 (the amount for which the school is eligible this year reduced by the loan awarded last. year.

The Southeast Neighborhood of School Excellence (SENSE) applied for an advancement; however the required growth of 15% has not been met and therefore they are not eligible for a loan for the 2007-2008 school year.

As a matter of information, the interest rate for a charter school advance is 1.0 percent per annum for an advancement for a period of 0-3 years or 4.0 percent per annum for an advancement for a period of 4-20 years.

dh