

## MEMORANDUM

To: Superintendents and Chief Financial Officers

From: Melissa K. Ambre, Director, Office of School Finance

Date: June 7, 2019

Re: House Enrolled Act 1397 - School Transfer of Funds

### Background:

The Indiana General Assembly amended I.C. 20-29-6-3, effective July 1, 2019, to allow a school governing body to adopt a resolution indicating that a portion of money transferred from the Operations Fund to the Education Fund may be considered Education Fund revenue for the purpose of funding teacher contracts and to determine whether the school corporation is placed in a position of deficit financing under the teacher's collective bargaining agreement.

The resolution must be adopted before September 15 of any year and expires within one year of adoption by the school governing body. On or before November 1 of each year, the school governing body shall submit a copy of the resolution to the Department of Local Government Finance. The resolution must include all transfers between the Education and Operations Fund and whether or not the transfer was for the purpose of funding teacher contracts.

### Guidance:

If a school corporation transfers funds between the Operations and Education Fund, the Form 9 Transfer Report should be a reliable source of data on the amount and date of transfers. The report should provide the fund, amount, date, and date of public hearing for transfers to and from the Education and Operations Funds.

If you have any questions, please email staff in the Office of School Finance at [Form9@doe.in.gov](mailto:Form9@doe.in.gov).

This bill was authored by Representative Tony Cook. The full bill text can be found [here](#). Information regarding how to contact your legislators can be found [here](#).