



# INDIANA STATE BOARD OF EDUCATION

TO: State Board of Education  
FROM: Brian Murphy  
DATE: June 7, 2017  
RE: Common School Loan Policy Document

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SBOE staff and Department staff recommend adopting the attached updated policy document regarding the administration of common school loans.

## **ADMINISTRATIVE POLICIES FOR THE COMMON SCHOOL FUND**

1. During any one award period, a school corporation may cite more than one building (remodeling, renovation, or new structure) as the subject of an advance from the Common School Fund.
2. The State Board of Education will not approve a construction advance to a school corporation that has unused school facilities that are in excess of the corporation's facility needs. An applicant school corporation will provide a list of all facilities owned or leased by the school corporation and a statement of the current use of each facility. If a facility is not currently being used, the corporation must explain the status of that facility and provide a rationale for not disposing of the facility.
3. A school corporation that submits an application for an advance from the school construction program or the educational technology program must certify either: 1) that the corporation has completed the preliminary determination and petition-remonstrance procedure in I.C. 6- 1.1-20 with favorable results; or 2) that the procedure does not apply. This requirement does not apply if a school corporation intends to repay an educational technology advance from its Capital Projects Fund.
4. A corporation must submit its request for an advance electronically on the form approved by the Department of Education.
5. Any school corporation that requests an advance from the school construction program should comply with the school facility guidelines adopted by the Indiana State Board of Education on September 7, 1995, guidelines subsequently adopted pursuant to I.C. 20-19-2-12, or written guidance provided by the Department of Local Government and Finance.
6. The maximum amount awarded under the provisions governing educational technology advances will be based on the corporation's ADM times \$100. Corporations requesting advances for technology will be ranked from lowest to highest according to their adjusted assessed valuation per K-12 ADM.
7. Funds for the two categories of advances shall be allocated as follows:
  - School Construction Program 50%
  - Educational Technology Program 50%

If the needs of one program outweigh the other and allocations remain, the department may modify the percentages in the period.

8. Technology advances must be used within one (1) year after the State Board of Education approves the advance.



9. Construction advances must be used within two (2) years after the State Board of Education approves the advance, with at least fifty percent (50%) of the advance used within one (1) year after the State Board of Education approves the advance.
10. The State Board of Education will not permit prepayment of construction advances.
11. Advancements for technology loans exclude salaries and fringe benefits of school personnel or items with a useful life of less than one (1) year. Examples include technology instructors, software subscriptions, or supplies.
12. Educational technology is for hardware and operational software intended for use by teachers and students only.

Adopted: June 7, 2017