



Glenda Ritz, NBCT

Indiana Superintendent of Public Instruction

TO: Indiana State Board of Education

FROM: Melissa Ambre, Director of School Finance

DATE: November 28, 2016

RE: Recommendation for Gary CSC Funding – TSO withholding

Pursuant to I.C. 20-31-9.5-3(c) and 511 IAC 6.2-9-4(b), the State Board of Education (“Board”) is charged with determining the amounts of tuition support and federal funds that are necessary to fund each turnaround academy. However, the timing of tuition support payments and withholdings are controlled by statute, and with respect to withholdings, by contract. Pursuant to I.C. 20-43-2-1, the Department must make state tuition support payments every 40 days. In furtherance of I.C. 20-43-2-1, the State Budget Director, each year, publishes a tuition support payment schedule. With respect to withholdings, the contract to which Indiana Department of Education (“Department”) and turnaround school operator (“TSO”) as parties requires payment to the TSO be made in accordance with the schedule established by the State Budget Director.

Below is the methodology for payments made to the TSO. The Department respectfully asks the Board to adopt the Department’s recommendations based on the methodology below.

Recommendation for State Tuition Support Withholding – Gary Community School Corp. (GCSC)

Pursuant to I.C. 20-31-9.5-3(c) and 511 IAC 6.2-9-4(b), the Department recommends the following amounts be withheld from the **state tuition support grant** to be distributed to GCSC from January 1, 2017, through June 30, 2017, to be used for operation of the turnaround academy:

Theodore Roosevelt Career and Technical Academy \$2,355,268.96

The recommended amounts are based on the following counts for the turnaround academy: December 1, 2015, special education child count multiplied by the applicable categorical amount; September 16, 2016 average daily membership (ADM) count multiplied by the applicable amount for complexity grant and basic tuition support funding; the October 2016 actual graduation report counts for the honors grant multiplied by \$1,000 or \$1,400 for honors funding; and the September 2016 actual career and technical education counts for career and technical education multiplied by the applicable amounts for career and technical education funding.



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Reconciliation: For complexity and basic tuition support, the Department will use the actual fall (September 2016) and an actual spring (February 2017) count of ADM to determine funding for each six month period within the fiscal year. For special education funding, the Department will use the December 1, 2016, count to determine funding for the state fiscal year. For honors funding, the Department used the October 2016 Graduate Report counts to determine the grant amount. For career and technical education funding, the Department used the fall (September 2016) count information to determine the grant amount. All grant totals will be added together to determine state fiscal year funding to the turnaround operator.

I.C. 20-43-4-9 requires the use of the fall count of ADM for the first six months of state fiscal year funding and the spring count of ADM for the second six months of the state fiscal year tuition support funding. Accordingly, the Department will reconcile any over or underpayments in withholding and payments resulting from the use of the fall and spring counts within the applicable six month period and state fiscal year.

Reconciliation periods will occur in December 2016 for the Honors and Career and Technical Education grants, February 2017 for the Special Education grant, and April 2017 for the Basic Tuition Support and Complexity grant. During each reconciliation period, the Department will recalculate grant amounts to reflect actual counts. Payments will be adjusted to account for any over or under payment of the State Tuition Support funds. When changes occur, the Department will notify turnaround academy operators and the GCSC Superintendent.

The estimated FY2017 state tuition support and the January – June 2017 amount to be withheld from Gary Community School Corporation is as follows:

School	Est. ADM	FY2017 Est. Basic Tuition Support	FY2017 Est. Complexity Index	FY2017 Actual Honors Grant	FY2017 Est. Special Ed Grant	FY2017 Actual Career and Tech Ed Grant	FY2017 Est. Total	Est. Jan.- June 2017 Withholding
Theod Roos.	601	\$3,057,888.00	\$1,260,849.92	\$0	\$342,000.00	\$49,800.00	\$4,710,537.92	\$2,355,268.96

CERTIFICATION

I, Cheryl Pruitt, Superintendent of Gary Community School Corporation, have reviewed the Turnaround Academy payment and withholding amounts for fiscal year 2017. The state tuition support calculations reflect the actual counts for September membership, honors, and career and technical education. I agree with the January to June 2017 estimated funding amount below. The information will be presented to the Indiana State Board of Education at their December meeting.

School	Est. ADM	FY2017 Est. Basic Tuition Support	FY2017 Est. Complexity Index	FY2017 Actual Honors Grant	FY2017 Est. Special Ed Grant	FY2017 Actual Career and Tech Ed Grant	FY2017 Est. Totals	Est. Jan.- June 2017 Withholding
Theod Roos.	601	\$3,057,888.00	\$1,260,849.92	\$0	\$342,000.00	\$49,800.00	\$4,710,537.92	\$2,235,268.9

The information is based on the following variables:

1. Actual September 2016 and an estimated February 2017 Membership count used in the calculation of the Complexity and Basic Tuition Support grants.
2. Actual September 2016 Career and Technical Education counts used in the calculation of the Career and Tech Educ. grant.
3. Actual October 2016 Graduate Report counts used in the calculation of the Honors grant.
4. Estimated December 1, 2015 Special Education counts used in the calculation of the Special Education grant.

The reconciliation reflects all state tuition support grants available for fiscal year 2017 for the turnaround academy. Additionally, the Department will reconcile any over or underpayments in withholding and payments resulting from the use of the final February 2017 actual membership count and other applicable counts used in the state tuition support formula calculations for the period of January 1, 2017, through June 30, 2017. The reconciliation and adjustments will take effect in the December 2016, February 2017, and April 2017 state tuition support payments.

Dated this 1 of December, 2016.

Dr. Cheryl Pruitt
 Dr. Cheryl Pruitt, Superintendent, Gary Community School Corp.

Attest:

Mary Comer
 Mary Comer