



# SY 2024–25 Q4 FINANCE UPDATE

Weston Young, CPA – Chief Financial Officer

September 25, 2025

- 1 SY 2024-25 Year in Review
- 2 Supplier Diversity
- 3 Decision Points & Planning
- 4 Focus on Long-Term Planning
- 5 Key Messages
- 6 Appendix – Board Appropriated Funds

**A**

Maintain financial and operational transparency

**B**

Provide timely financial updates to stakeholders

**C**

Communicate progress and new initiatives

## Budget Execution &amp; Strategy for SY 2024–25

## Debt Issued to Support Learning Environments

- [\\$159M Capital Referendum Debt](#) Closed October 2, 2024
- [\\$95M Deferred Maintenance Debt](#) Closed October 30, 2024
- Planned Issuance of [\\$107.75M Deferred Maintenance Debt](#)

## Rebuilding Stronger Implementation

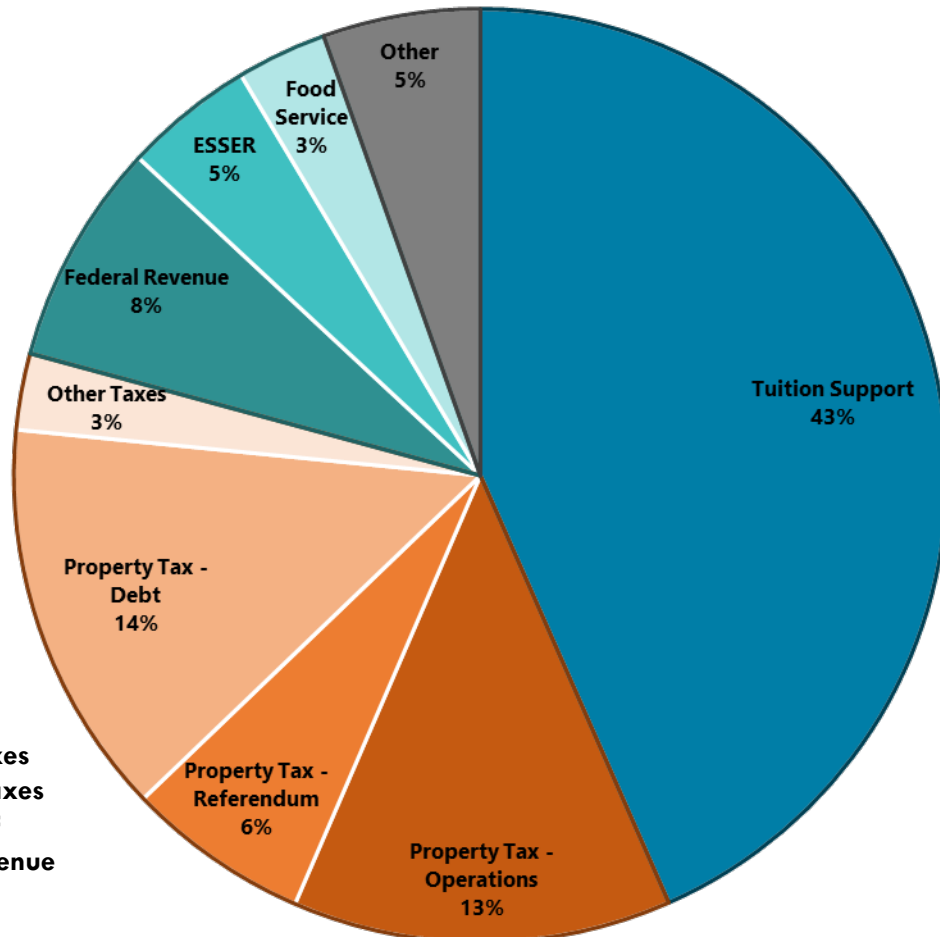
- Launch [Student Experience](#) Priorities for SY 2024-25
  - Positions & Programming
- Launch [Capital Improvement Dashboard](#)

[Academic  
Outcomes for SY  
2024-25](#)

## Resource Allocation &amp; Reporting

- Winddown of [ESSER Funding](#) as of 9/30/24 End Date
- Support Budget Implementation for [SY 2024-25](#), [SY 2025-26](#) & Beyond
- Finalized SY 2023-24 [Fiscal Year-End Reporting](#)
- Finalized SY 2023-24 Financial and Federal Awards Annual [Audit](#)

### Composition of IPS Revenue (SY 2025)



Property Taxes and Local Taxes total 36% of SY2025 Revenue

- State Tuition Support totaled 43% of IPS revenue in SY 2025.
- Property Taxes and other local taxes totaled 36% of IPS revenue in SY 2025.
- Federal Funding and other revenue sources totaled 21% of SY 2025 revenue.
- ESSER funding was a one-time grant revenue source and will not be available to support ongoing operations.

## SY 2020 to 2025 Cash Flow Summary

	2020	2021	2022	2023	2024	2025	2020	2021	2022	2023	2024	2025
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual

### Annual Revenues

Impacted by:

- 1) Total Enrollment across portfolio stable with additional Tuition Support per pupil
- 2) Local Property Tax Funding received semi-monthly
- 3) Timing of ESSER reimbursements

### Annual Expenditures

Impacted by:

- 1) Compensation increases & Innovation Agreements
- 2) Timing of Payments for Capital Projects, Transportation, & Insurance
- 3) Semi-monthly Debt payments

### RECEIPTS

Tuition Support	246	251	258	268	286	289	48%	49%	46%	41%	43%	43%
Local Property Taxes - Operations	69	85	83	90	86	87	13%	16%	15%	14%	13%	13%
Local Property Taxes - Referendum	28	35	35	38	40	42	5%	7%	6%	6%	6%	6%
Local Property Taxes - Debt	55	58	54	65	86	91	11%	11%	10%	10%	13%	14%
Other Taxes	17	16	20	20	19	18	3%	3%	4%	3%	3%	3%
Federal Revenue	51	43	37	38	40	51	10%	8%	7%	6%	6%	8%
ESSER	-	2	30	88	67	30	0%	0%	5%	14%	10%	5%
Food Service	18	10	22	23	22	21	3%	2%	4%	4%	3%	3%
Disposal of Property	6	0	0	0	0	1	1%	0%	0%	0%	0%	0%
Other	26	17	17	16	21	36	5%	3%	3%	3%	3%	5%
<b>Total Receipts</b>	<b>515</b>	<b>516</b>	<b>557</b>	<b>646</b>	<b>668</b>	<b>666</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

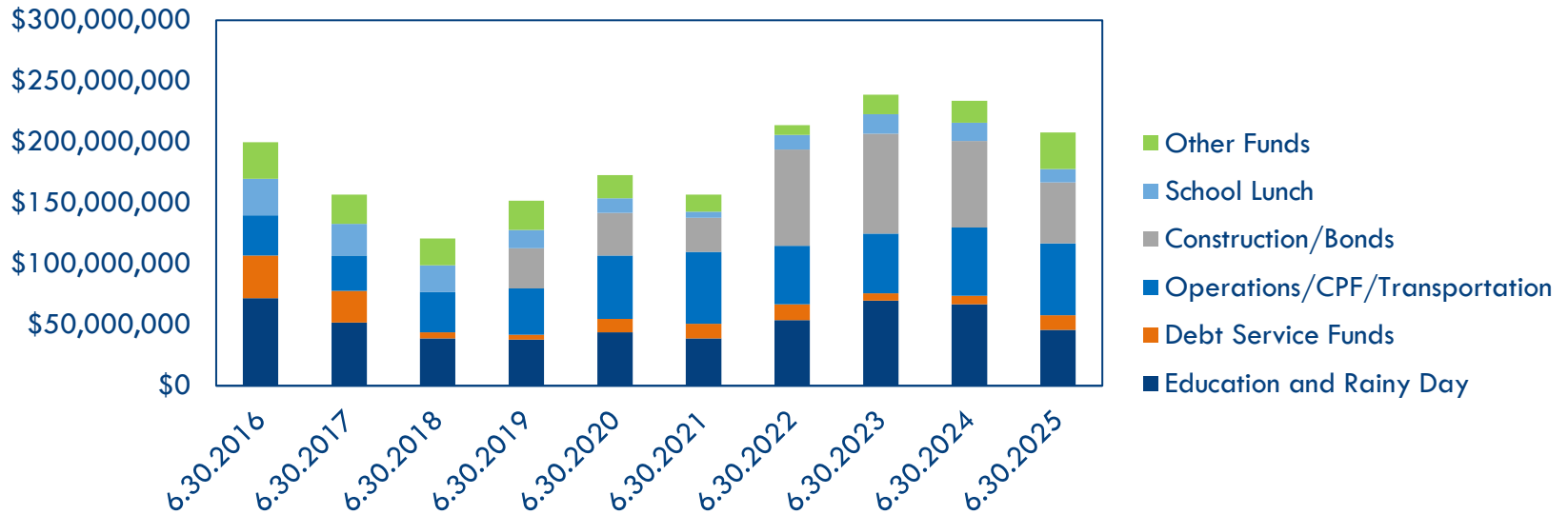
### EXPENDITURES

General Education	122	123	120	138	136	133	25%	23%	22%	22%	20%	20%
Special Education	44	47	45	49	49	56	9%	9%	8%	8%	7%	8%
Innovation Network	66	88	104	110	116	123	14%	17%	19%	17%	17%	18%
Educational Support	76	88	85	103	111	90	16%	17%	16%	16%	16%	13%
Administrative Operations	19	19	21	26	26	27	4%	4%	4%	4%	4%	4%
Capital Projects	44	51	56	66	65	67	9%	10%	10%	10%	10%	10%
Transportation	34	34	31	41	51	49	7%	6%	6%	6%	8%	7%
Food Service	23	13	20	22	22	25	5%	3%	4%	3%	3%	4%
Debt Payment - Principal	40	50	48	62	74	62	8%	10%	9%	10%	11%	9%
Debt Payment - Interest	15	13	13	15	21	31	3%	2%	2%	2%	3%	5%
Other	1	1	1	7	4	11	0%	0%	0%	1%	1%	2%
<b>Total Expenditures</b>	<b>485</b>	<b>526</b>	<b>544</b>	<b>639</b>	<b>675</b>	<b>675</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Surplus (Deficit) as % of Total Expenditures

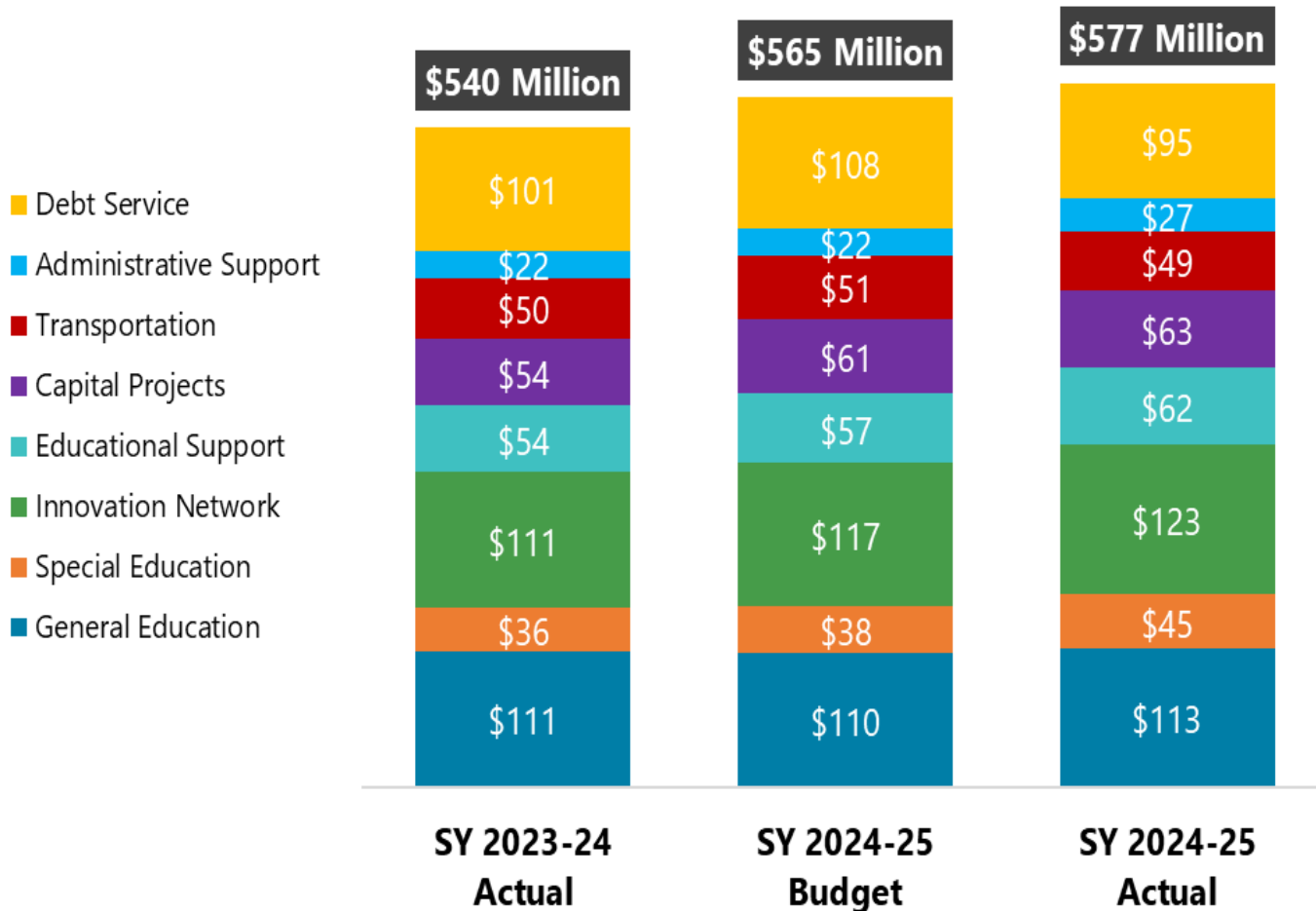
Surplus (Deficit)	30	(10)	13	7	(7)	(9)	6%	-2%	2%	1%	-1%	-1%
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### Historical Fund Balances



Fund Balances	6.30.16	6.30.17	6.30.18	6.30.19	6.30.20	6.30.21	6.30.22	6.30.23	6.30.24	6.30.25
Education and Rainy Day	\$72M	\$52M	\$39M	\$38M	\$44M	\$39M	\$54M	\$70M	\$67M	\$46M
Debt Service Funds	\$35M	\$26M	\$5M	\$4M	\$11M	\$12M	\$13M	\$6M	\$7M	\$12M
Operations/CPF/Transportation	\$33M	\$29M	\$33M	\$38M	\$52M	\$59M	\$48M	\$49M	\$56M	\$59M
Construction/Bonds	\$0M	\$0M	\$0M	\$33M	\$35M	\$28M	\$79M	\$82M	\$71M	\$50M
School Lunch	\$30M	\$26M	\$22M	\$15M	\$12M	\$5M	\$12M	\$16M	\$15M	\$11M
Other Funds	\$30M	\$24M	\$22M	\$24M	\$19M	\$14M	\$8M	\$16M	\$18M	\$29M
<b>Total Funds</b>	<b>\$200M</b>	<b>\$157M</b>	<b>\$121M</b>	<b>\$152M</b>	<b>\$173M</b>	<b>\$157M</b>	<b>\$214M</b>	<b>\$239M</b>	<b>\$234M</b>	<b>\$208M</b>

## July 2024-June 2025: Expenditures (in Millions)



### Analysis:

- 1) Total Expenditures above Prior Year and Budget
- 2) Instructional & Admin Support Expenses above Prior Year and Budget due to winddown of ESSER & Launch of RBS Student Experience
- 3) Innovation payments increased from Prior Year due to change in State Funding & # of students
- 4) Capital Projects increased due to rising costs of contracts and materials
- 5) Transportation reduced due to optimizing new transportation zone structure



# Board-Appropriated Funds

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## SY 2024-25 Cash Flow Summary

Funds	Actual Balance 6.30.2024	Actual Revenue	Net Transfers to/from Other Funds & Adjustments	Projected Admin Fund Transfers @ <15% (1)	Actual Expense	Net Cash Flow	Actual Balance 6.30.2025	Fund Balance % (2)
Education	\$51M	\$293M	\$2M	(18M)	(\$299M)	(\$22M)	\$29M	9%
Operations	\$56M	\$114M	\$9M	\$18M	(\$139M)	\$2M	\$58M	42%
Rainy Day	\$17M	-	\$0M		\$0M	\$0M	\$17M	0%
Operating Referendum	\$0M	\$45M	\$0M		(\$44M)	\$1M	\$1M	0%
<b>Total</b>	<b>\$124M</b>	<b>\$452M</b>	<b>\$11M</b>	<b>\$0M</b>	<b>(\$482M)</b>	<b>(\$19M)</b>	<b>\$105M</b>	<b>22%</b>

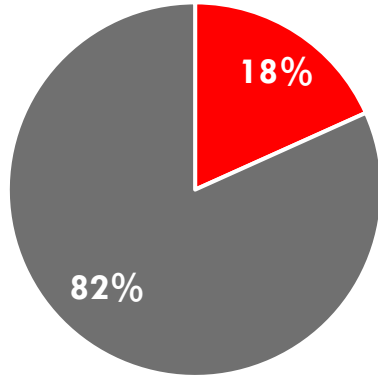
**Cash Flow** during the fiscal year incurred more expenses than revenues. One-Time transfers from the final reconciliation of ESSER stimulus assisted cash flow. The district's pursuit of Strategic Plan 2025 priorities and goals was supported by planning and implementation of the Rebuilding Stronger Plan and the time-bound funding source of 2018 operating referendum proceeds which expire 12/31/26. The district retains a continued focus of managing operational trade-offs to reduce and control costs in an elevated cost economic environment and advocating for sustainable funding at the Local, State, and Federal levels.

**Cash Balances** at year-end are projected above the Fund Reserve Balance Policy's goal of 8% or 1 month of reserves.

(1) IPS Cash Flow projections allow for less than 15% of Annual Education Fund Revenues to be administratively transferred and retain sufficient cash in Education Fund.

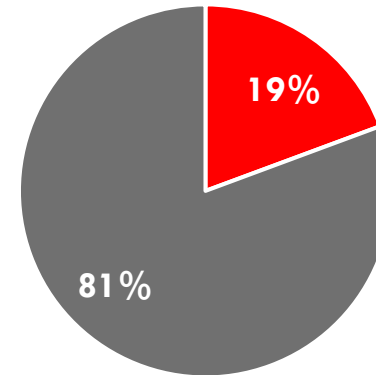
(2) Fund Reserve Balance Policy (Board Policy 6227) provides guidance on retaining reserves equal to at least 1 to 3 months or 8% to 25% of annual expenditures.

### 2025 Year to Date



**Total Eligible Expenditures**  
\$171,000,000

### 2024 Calendar Year



**Total Eligible Expenditures**  
\$231,000,000

■ XBE ■ Non XBE

Top 5 Vendors 2025 YTD		Top 5 Vendors 2024	
POWERS-DAVIS JV, MBE	\$ 16,385,173	POWERS-DAVIS JV, MBE	\$ 14,354,527
DNO INC, MBE	\$ 1,731,681	TUTORED BY TEACHERS, MBE	\$ 6,362,032
VPS ARCHITECTURE, WBE	\$ 889,345	SCHMIDT ASSOCIATES, WBE	\$ 3,828,640
RIVERS BUSINESS SOLUTIONS, MBE	\$ 900,861	DNO INC, MBE	\$ 2,864,813
TUTORED BY TEACHERS, MBE	\$ 782,800	BUSINESS FURNITURE, WBE	\$ 1,729,197

QUANTITY OF VENDORS USED 2025		QUANTITY OF VENDORS USED 2024	
XBE VENDORS USED	103	XBE VENDORS USED	149
TOTAL VENDORS USED	815	TOTAL VENDORS USED	1135



### Macro Environmental Factors

- Legislative policy, funding formula, and SY 2025-26 & 2026-27 state budgets
- Enrollment: student mobility, supply/demand of seats, demographics
- Economy: inflation, recession?, and impact on federal, state and local funding



### Strategic Conversations

- Budget process alignment to [strategic priorities](#) and [board goals](#)
- Compensation & Health Insurance → Fall 2025
- Investments in student experience, technology, and early learning



### Implemented and Yielding Positive Results

- [Health insurance](#)
- [Facilities & Energy management](#)
- [Transportation](#)



### In Development

- Long-Term Planning for revenue shifts in State & Local Property Tax Policy
- SY 2026-27 Budget Development – School-Based & Central Supports
- Literacy & Post-Secondary Readiness - Mandated and Strategic Initiatives

**Focus on systems and partnerships has led to a sustained increase in annual operational revenue.**

Funds	SY 15-16	SY 16-17	SY 17-18	SY 18-19	SY 19-20	SY 20-21	SY 21-22	SY 22-23	SY 23-24	SY 24-25
Interest Income	\$640K	\$1.6M	\$1.9M	\$2.5M	\$2.7M	\$1.1M	\$677K	\$3.5M	\$11.3M	\$11.2M
Textbook Rental & IDOE Reimb	\$1.7M	\$1.8M	\$2.0M	\$1.7M	\$1.8M	\$2.1M	\$1.7M	\$1.9M	\$3.3M	\$3.2M
Medicaid Reimbursement	\$674K	\$941K	\$1.9M	\$2.3M	\$1.8M	\$2.3M	\$1.4M	\$1.2M	\$1.7M	\$2.1M
Grant Contributions	\$612K	\$1.6M	\$4.1M	\$2.7M	\$2.8M	\$3.5M	\$4.6M	\$5.1M	\$5.5M	\$17.6M
Rental Income	\$938K	\$710K	\$875K	\$910K	\$127K	\$82K	\$102K	\$54K	\$257K	\$565K
<b>Subtotal Annual</b>	<b>\$4.6M</b>	<b>\$6.7M</b>	<b>\$10.7M</b>	<b>\$10.1M</b>	<b>\$9.2M</b>	<b>\$9.1M</b>	<b>\$8.7M</b>	<b>\$11.8M</b>	<b>\$22.1M</b>	<b>\$34.6M</b>
Sale of Property	\$2.3M	\$385K	\$13.4M	\$2.7M	\$5.8M	\$0	\$0	\$0	\$0	\$502K
<b>Total Annual &amp; One-Time</b>	<b>\$6.9M</b>	<b>\$7.1M</b>	<b>\$24.1M</b>	<b>\$12.9M</b>	<b>\$15.0M</b>	<b>\$9.1M</b>	<b>\$8.7M</b>	<b>\$11.8M</b>	<b>\$22.1M</b>	<b>\$35.1M</b>

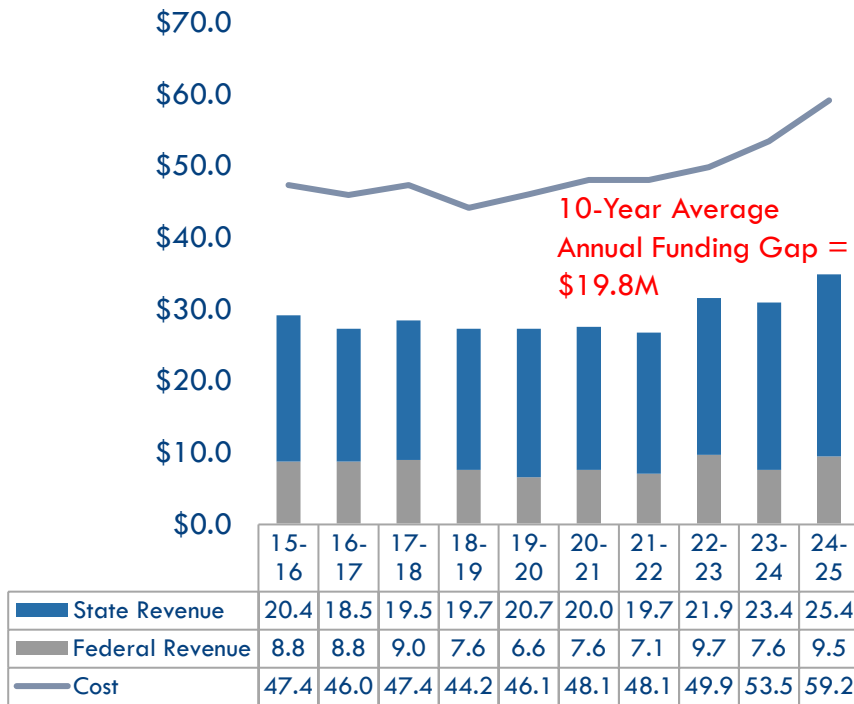
**Expenditures for special education and English language learners encroach on General/Education Fund budget allocations, capturing around 16% of state tuition support or 104% of complexity index funding.**

<b>SY 2024–25</b>	<b>Special Education</b>	<b>English Language Learners</b>	<b>Total</b>
Federal Funds	\$9,484,057	\$814,872	\$10,298,929
State Funds	\$25,422,550	\$4,820,066	\$30,242,616
<b>Total Revenue</b>	<b>\$34,906,607</b>	<b>\$5,634,938</b>	<b>\$40,541,545</b>
<b>Total Cost</b>	<b>(\$59,263,165)</b>	<b>(\$11,763,975)</b>	<b>(\$71,027,140)</b>
<b>Total Gap Paid by Education Fund</b>	<b>(\$24,356,558)</b>	<b>(\$6,129,037)</b>	<b>(\$30,485,595)</b>

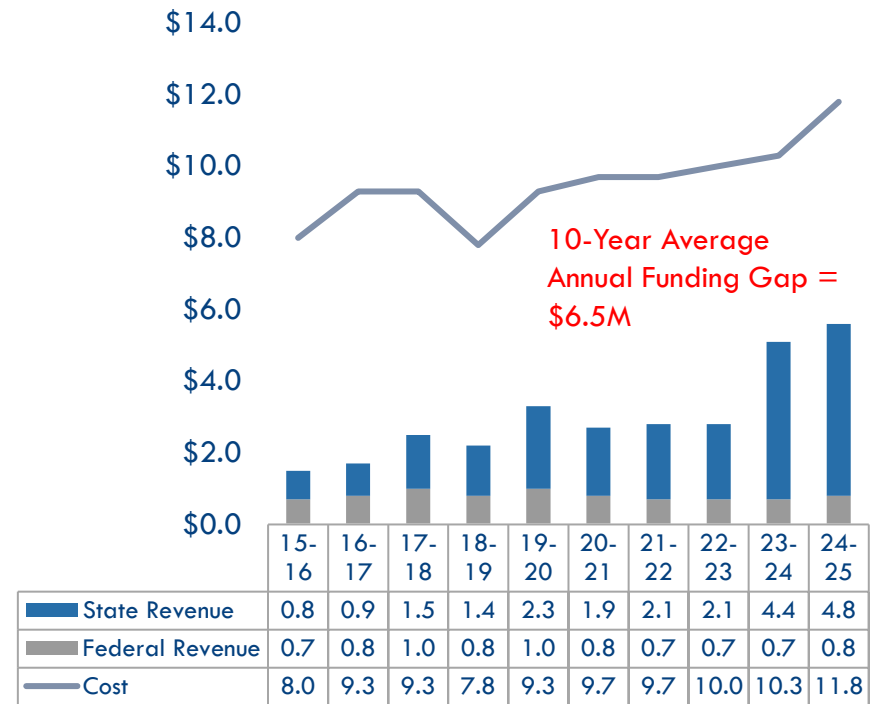
## Funding Gap For Students With Special Needs

**Expenditures for special education (SpEd) and English language learners (ELL) encroach on General/Education Fund budget allocations, capturing around 16% of state tuition support or 104% of complexity index funding.**

SPED Funding & Cost (in millions)



ELL Funding & Cost (in millions)

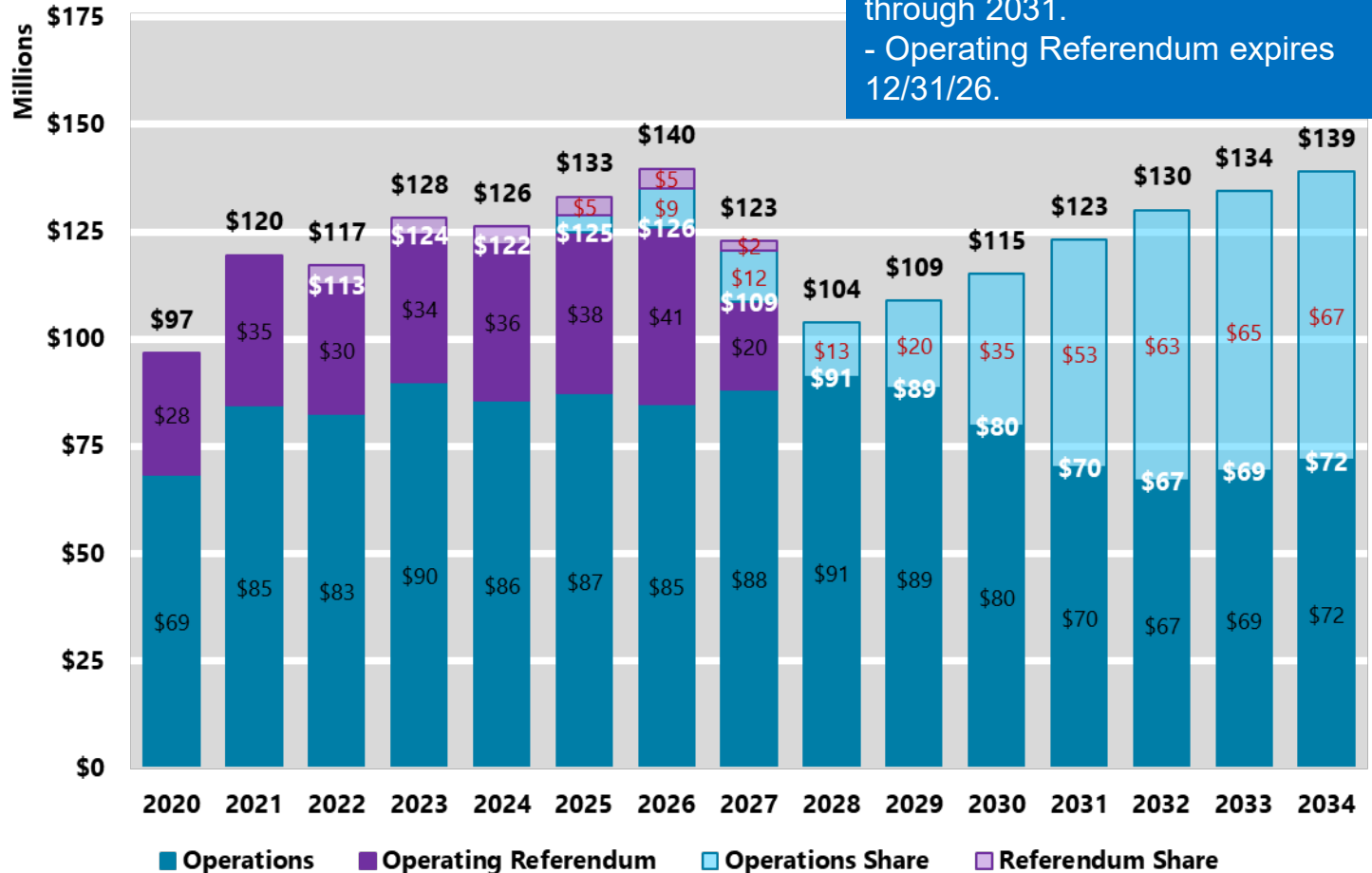


### Local Property Tax Revenue

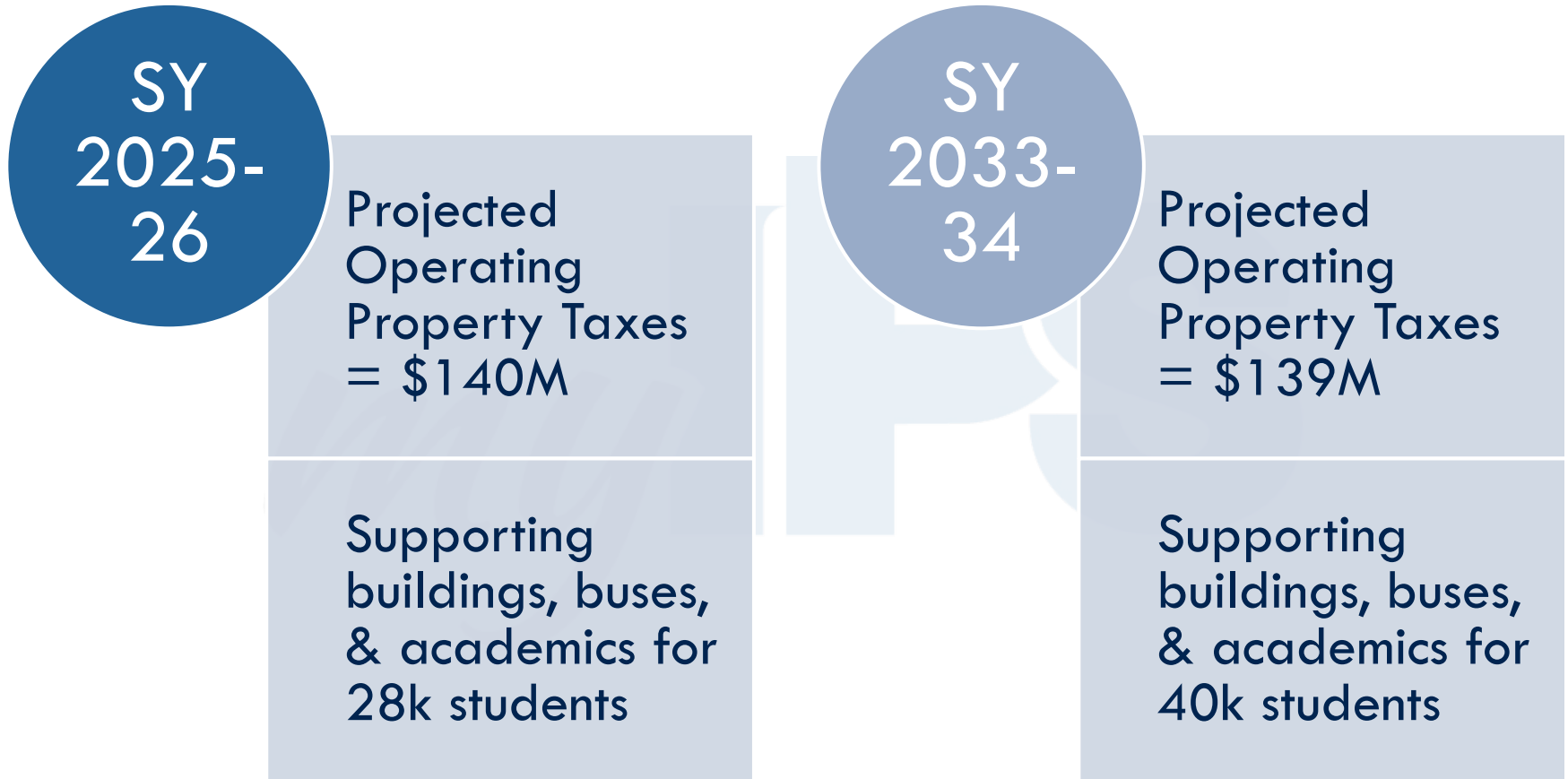
*Operations and Operating Referendum Funds*

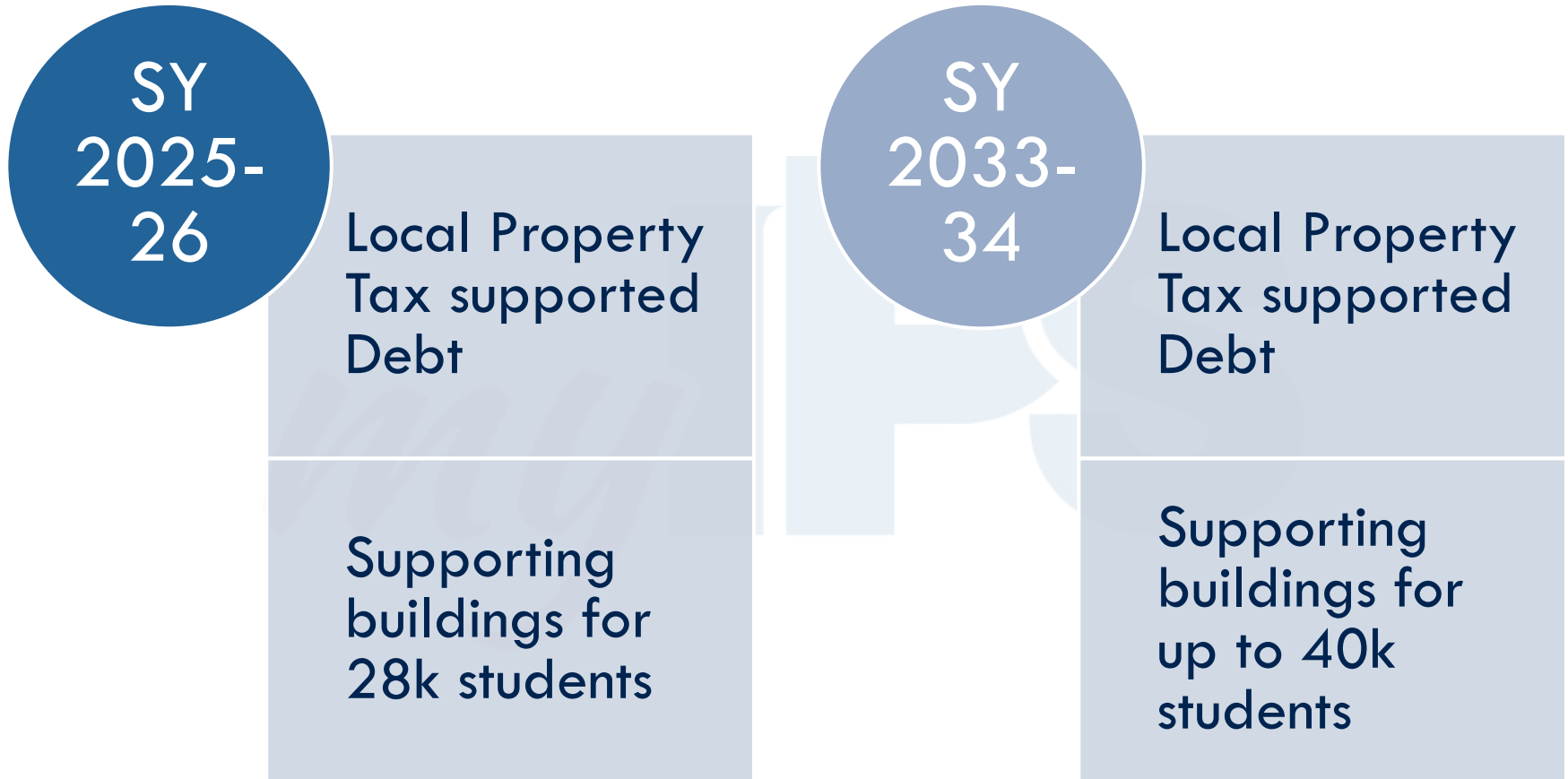
- SEA 1 directs distributions of Operations Fund to charters beginning 2028, and phasing in through 2031.  
 - Operating Referendum expires 12/31/26.

- Property tax revenue projection assumes a fixed debt service tax levy.
- Referendum funds (both operating and capital) are able to incorporate TIF assessed value, and thus have a higher tax base.
- The IPS operating referendum expires in CY 2026. IPS will receive a partial distribution in FY 2027.



- ❑ State Revenues are dependent on enrollment (\$ per pupil)
  - ❑ State per pupil is assumed at 1.4% increase for future years
  - ❑ Long-term Enrollment trends assume a decrease in students served
  - ❑ Total State Support is static in the long-term with very little growth
- ❑ Property Tax Revenues are not driven by enrollment (“Pie is the Pie”)
  - ❑ IPS-LEA is a provider of operational support services, such as facilities or transportation, for 28,000 students who are both In and Out of IPS-LEA
  - ❑ A reduction in revenues to IPS-LEA, through economic and/or policy shifts, will require trade-offs to continue as a service provider to some portion or all 31,000 students associated with IPS Budget Appropriations.
    - Replacement Revenue
      - Chargeback for Services
      - Increase in Local, State, or Federal Revenues
    - Reduction in Services



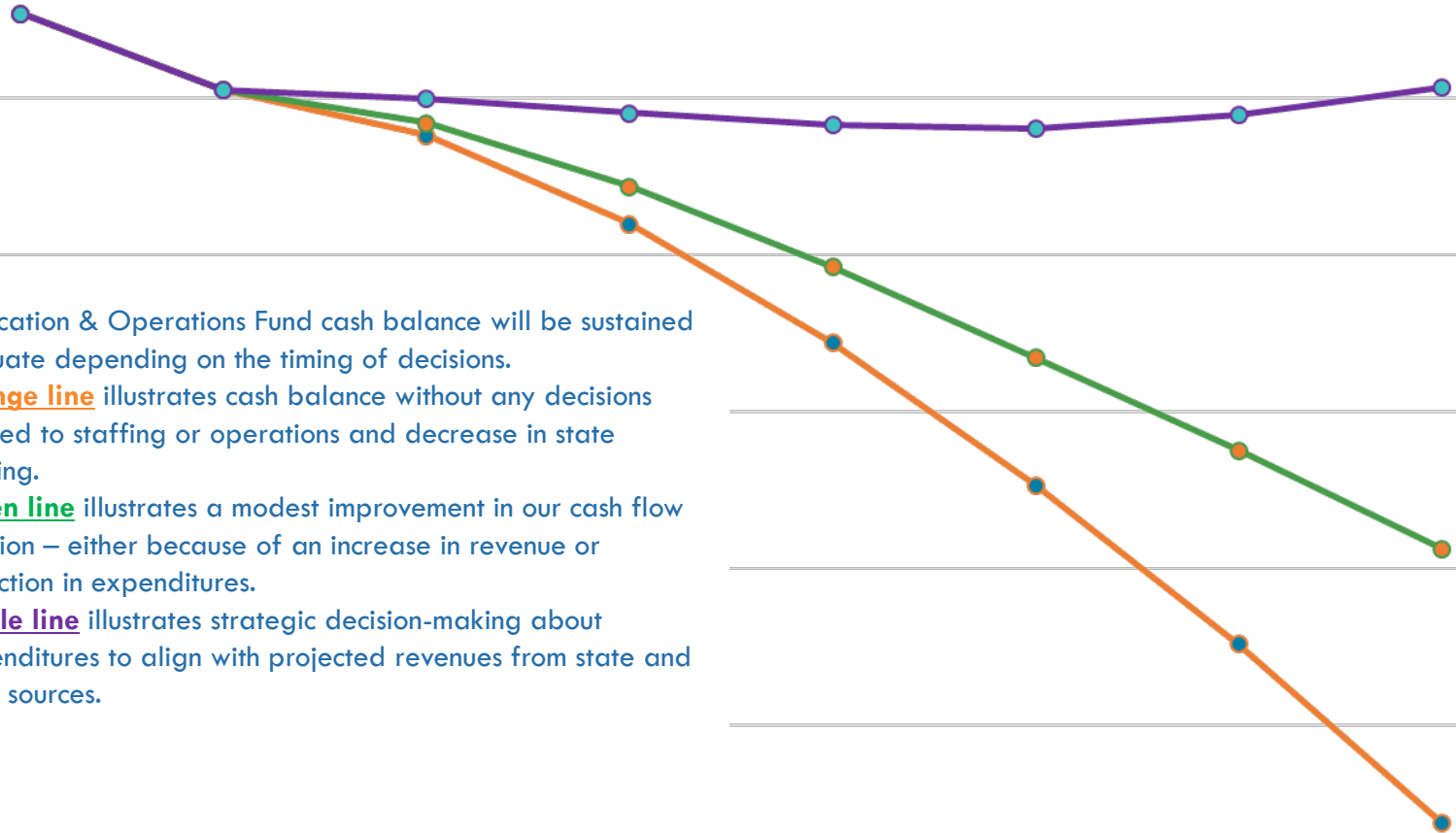


### Early, continuous intervention can stabilize the financial outlook

\$0

IPS Education & Operations Fund cash balance will be sustained or fluctuate depending on the timing of decisions.

- **Orange line** illustrates cash balance without any decisions related to staffing or operations and decrease in state funding.
- **Green line** illustrates a modest improvement in our cash flow position – either because of an increase in revenue or reduction in expenditures.
- **Purple line** illustrates strategic decision-making about expenditures to align with projected revenues from state and local sources.





SY 2024-25 academic progress and Student Experiences are supported by significant Capital Investments and strategic budget allocations.



2025 Legislative Session led to a significant restructuring of revenues for students in the IPS boundary. In response, ongoing local reviews and recommendations will require trade-offs based on the projected available resources to support buildings, buses, and academic programming.



Long-term sustainability for IPS boundary students will require prudent decision-making, while encouraging and sustaining local taxpayer support to meet community demand for instructional and operational services.

*my*IPS



**Cash Flow Projection**  
**Board Appropriated Funds**  
**Enrollment**  
**Resource Allocation & Example Allotments**  
**Vision & Strategic Plan**  
**Supplier Diversity**  
**Federal Title Programs**  
**Long-Term Budget Planning**  
**Make Every Dollar Count**  
**Financial Reporting**

# Strategic Priority 4: Operate and Fund Strategically

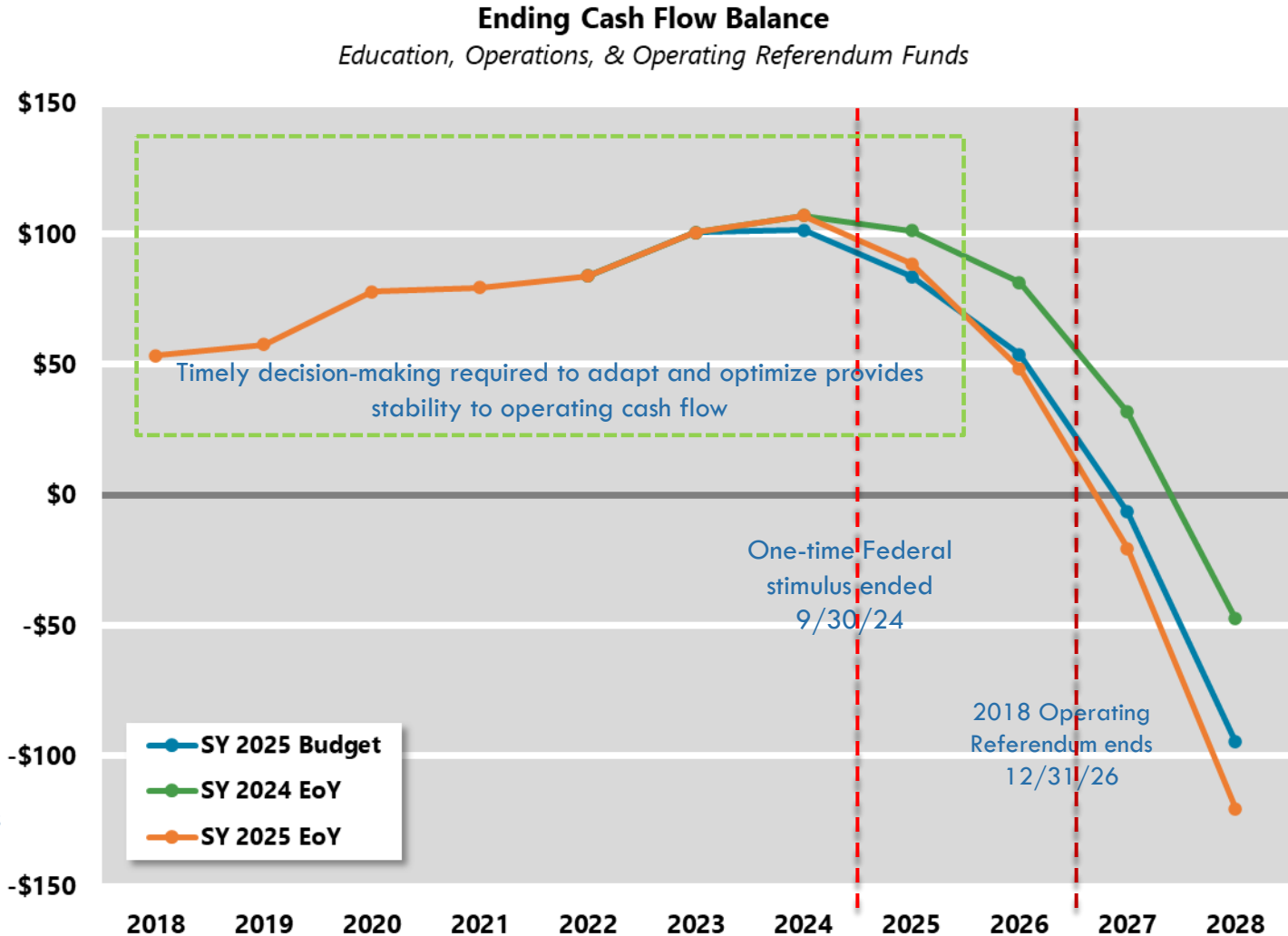
## Cash Flow Projection – August 2025

IPS Education & Operations Fund cash balance will be sustained or fluctuate depending on the timing of decisions.

- **Blue line** illustrates March 2024 Budget Projection.
- **Green line** illustrates August 2024 Year End Projection.
- **Orange line** illustrates August 2025 Year End Projection.

Operating cash flow has currently been supported by 2 time bound funding sources, such as

- One-time Federal stimulus and
- local property tax referendum (ending 12/31/26) which would need to be extended every 8 years





# Board-Appropriated Funds

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## SY 2025-26 Projected Cash Flow Summary

Funds	Projected Balance 6.30.2025	Projected Annual Revenue	Transfers from Other Funds & Adjustments	Admin Fund Transfers @ <15% (1)	Projected Annual Expense	Net Cash Flow	Projected Balance 6.30.2026	Fund Balance % (2)
Education	\$29M	\$293M	\$0M	\$0M	(\$297M)	(\$4M)	\$25M	7%
Operations	\$58M	\$100M	\$0M	\$0M	(\$139M)	(\$39M)	\$19M	14%
Rainy Day	\$17M	-	\$0M		\$0M	\$0M	\$17M	0%
Operating Referendum	\$1M	\$45M	\$0M		(\$46M)	(\$1M)	\$0M	0%
<b>Total</b>	<b>\$105M</b>	<b>\$438M</b>	<b>\$0M</b>	<b>\$0M</b>	<b>(\$482M)</b>	<b>(\$44M)</b>	<b>\$61M</b>	<b>16%</b>

**Cash Flow** during the fiscal year is projected to incur more expenses than revenues. The district's competitive compensation and implementation of Rebuilding Stronger Plan student experience is supported by the time-bound funding source of 2018 operating referendum proceeds which expire 12/31/26. The district retains a continued focus of managing operational trade-offs to reduce and control costs in a elevated cost economic environment and advocating for sustainable funding at the Local, State, and Federal levels. Impact of 2025 Legislative session bills may impact cash flow and ability to deliver current level of services. If state or property tax revenues decrease significantly, student instructional and operational supports will need to shift.

**Cash Balances** at year-end are projected above the Fund Reserve Balance Policy's goal of 8% or 1 month of reserves.

(1) IPS Cash Flow projections allow for less than 15% of Annual Education Fund Revenues to be administratively transferred and retain sufficient cash in Education Fund.

(2) Fund Reserve Balance Policy (Board Policy 6227) provides guidance on retaining reserves equal to at least 1 to 3 months or 8% to 25% of annual expenditures.

## Revenue Considerations (for SY 2024-25 & Beyond)

### State Tuition Support

### Education Fund

- ❑ Average Enrollment as of 10.1.2024 and 2.1.2025
- ❑ State Tuition Support
  - Basic Grant
  - Complexity Grant (student data as of 10.1.22)
- ❑ Special Education
- ❑ Vocational/Career Technical
- ❑ Non-English Speaking Grant
- ❑ Academic Performance Grant

### Property-Tax Support

### Operations & Debt Funds

- ❑ Certified Net Assessed Property Value (NAV)
- ❑ Requested Levy
- ❑ Circuit Breaker
- ❑ Miscellaneous Revenue
  - Excise Tax
  - Financial Institution Tax

**Transfer**

Less Growth due to New Rules re: Exemptions, Caps, Deductions, and Credits

Increase Tax Rate for similar Revenue

### LEGEND

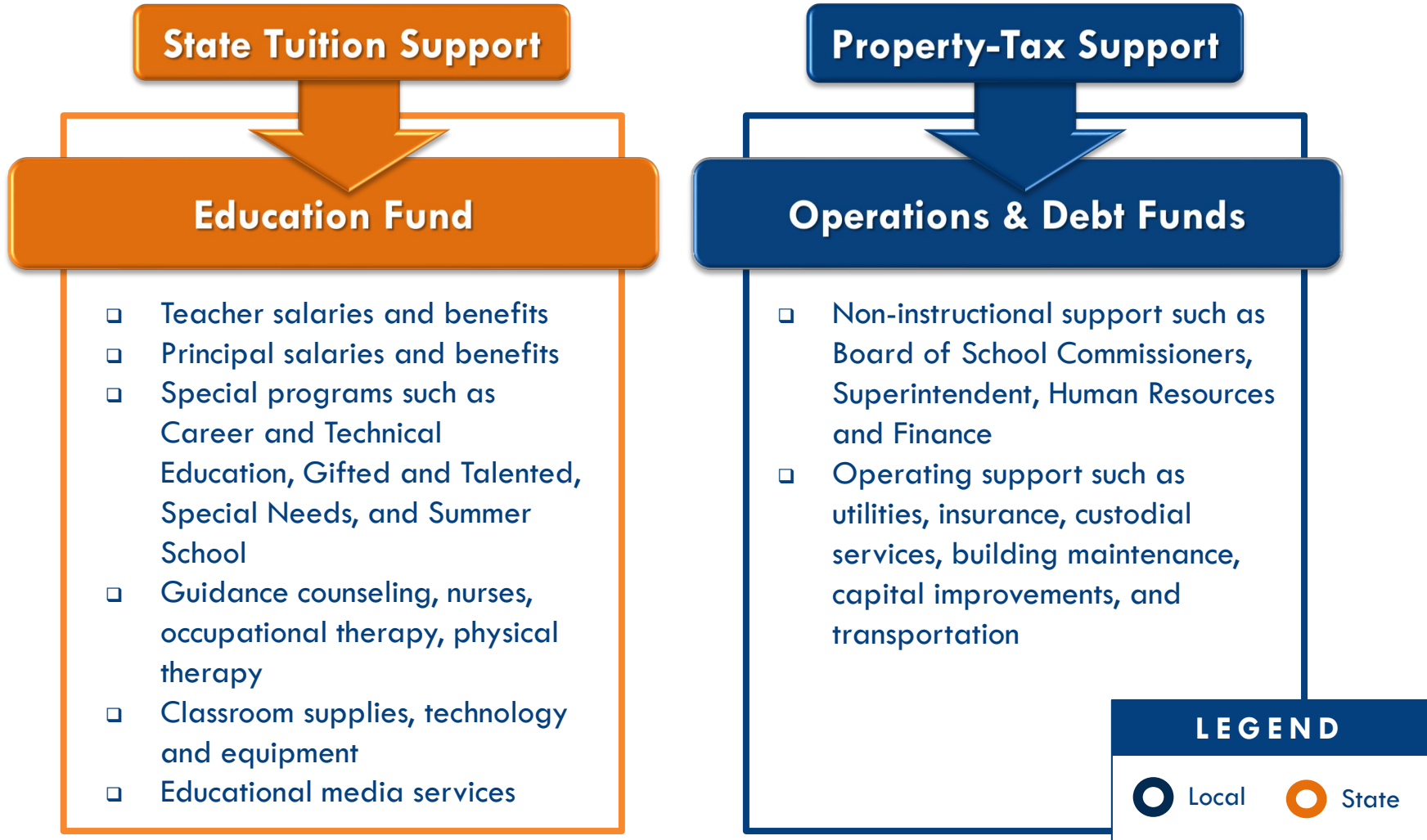
- Local
- State

Equal Funding Trend Continues

Complexity Base & Index decrease

All Categorical Fund Per Pupil Funding decreased

Curricular Materials Funding Eliminated



Content updated 8.15.2025  
Subject to change due to state, federal or local funding fluctuations

## State Tuition Support

### Education Fund

<b>Inflows =</b>	<b><u>\$295M</u></b>
<b>Expenditures</b>	
General Education =	(\$69M)
Special Education =	(\$45M)
Innovation Network =	(\$123M)
Educational Support =	(\$62M)
<b>Total Expenditures =</b>	<b><u>(\$299M)</u></b>
Ops. Transfer =	(\$18M)
<b>Total Outflows =</b>	<b><u>(\$317M)</u></b>
\$45M received and \$44M expended in Operating Referendum Fund for Education Fund related services	

## Property-Tax Support

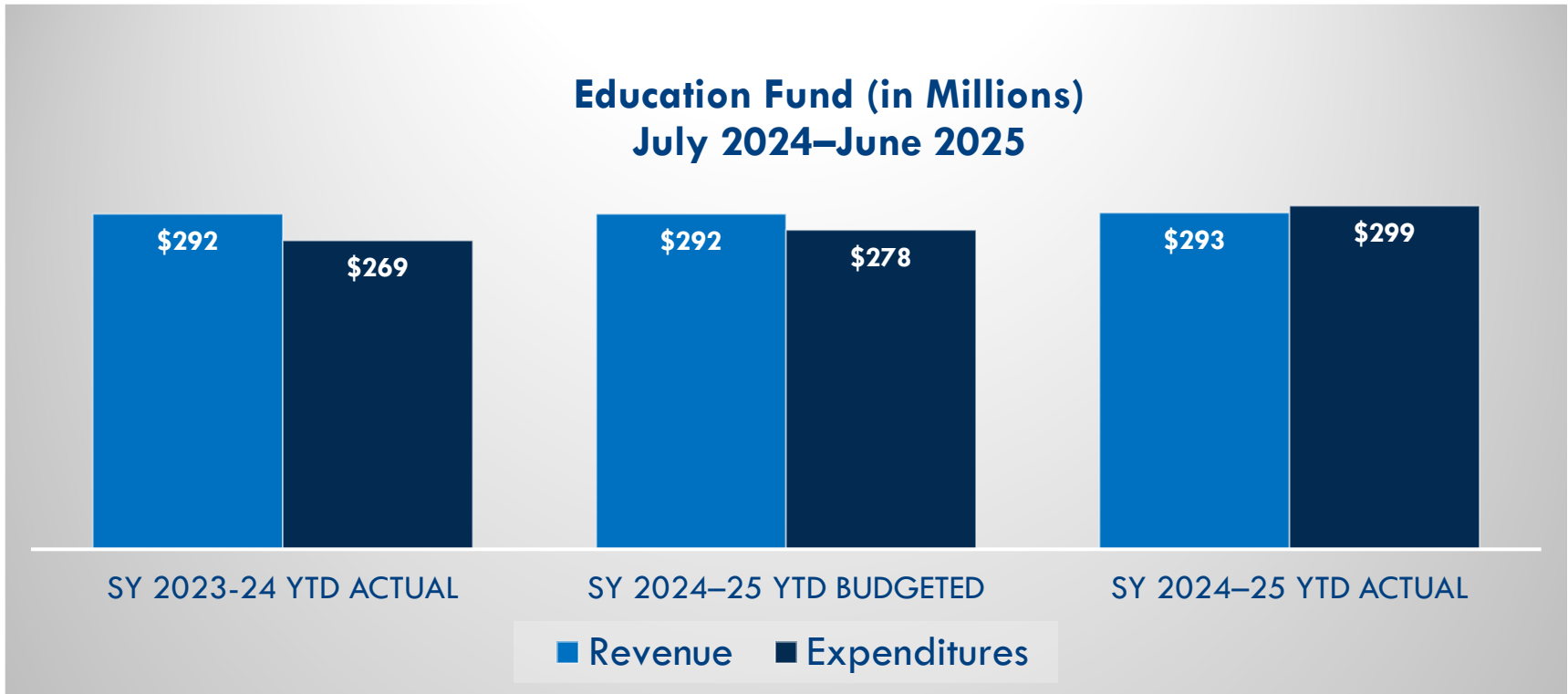
### Operations Fund

<b>Inflows</b>	
Property Tax =	\$114M
Ops. Transfer =	\$18M
Fund Transfers =	\$9M
<b>Total Inflows =</b>	<b><u>\$141M</u></b>
<b>Expenditures</b>	
Capital Projects =	(\$63M)
Transportation =	(\$49M)
Admin. Operations =	(\$27M)
<b>Total Expenditures =</b>	<b><u>(\$139M)</u></b>

**\$18M Ops. Transfer**

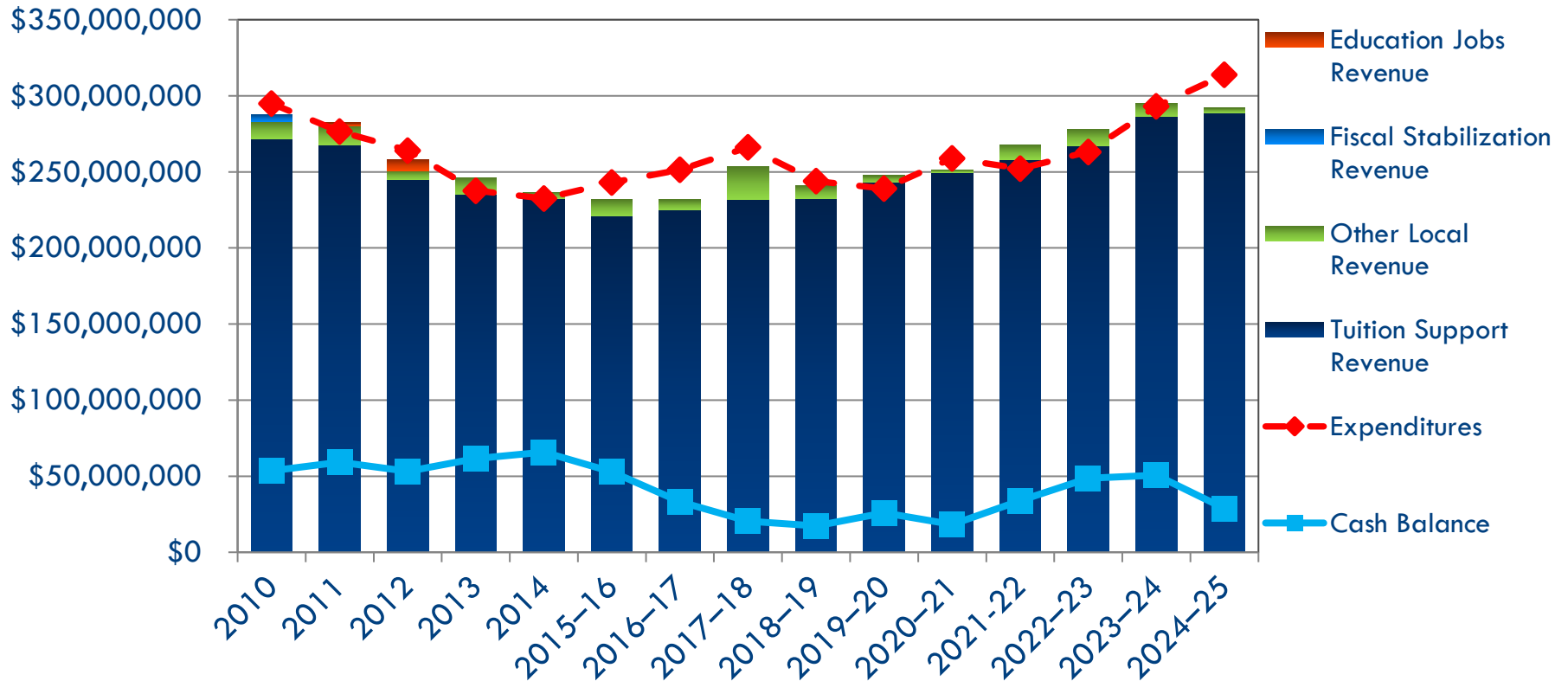
#### LEGEND

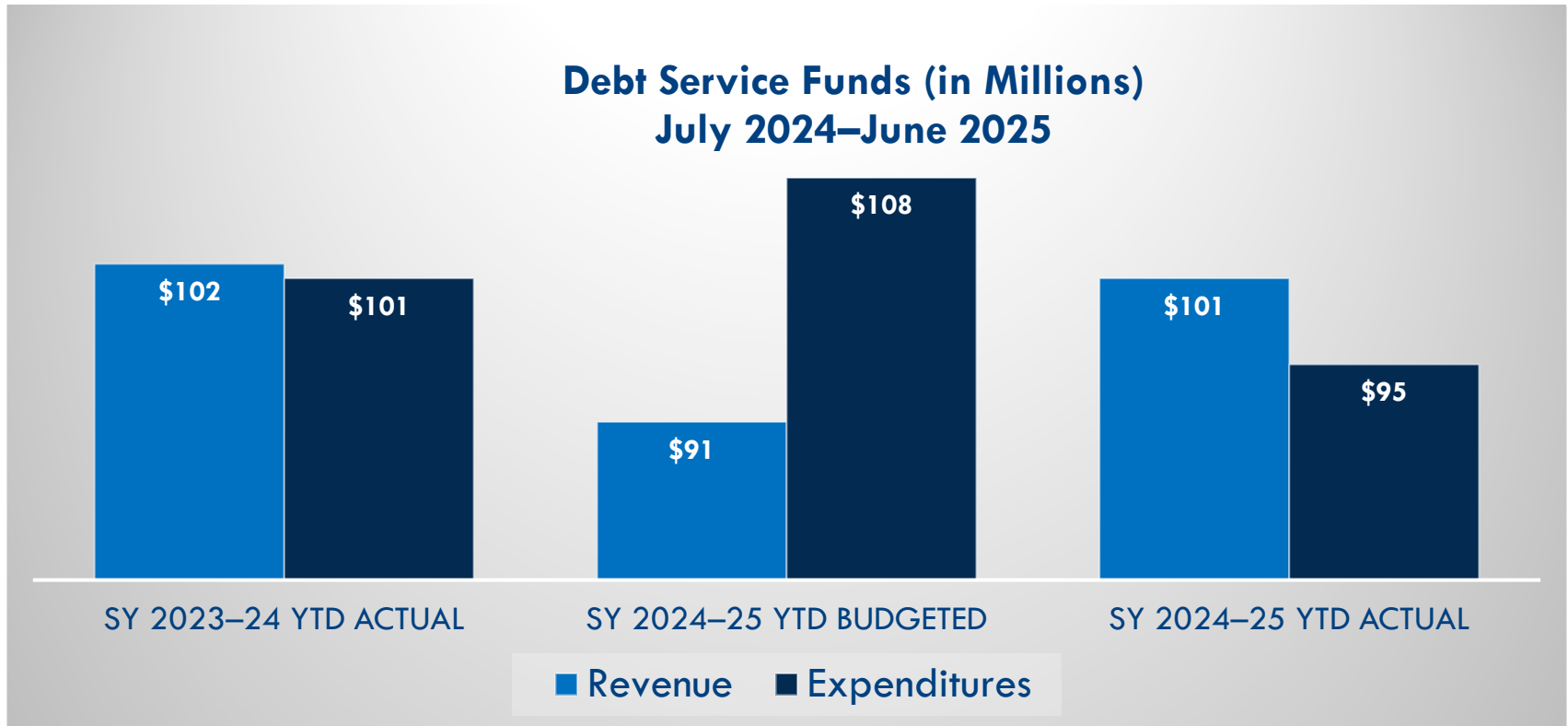
- Local
- State



- ❑ Appropriation requested from DLGF = \$306M (not including Admin Transfer)
- ❑ State tax revenue received monthly
- ❑ Effective July 1, 2019, “General Fund” converted to “Education Fund”

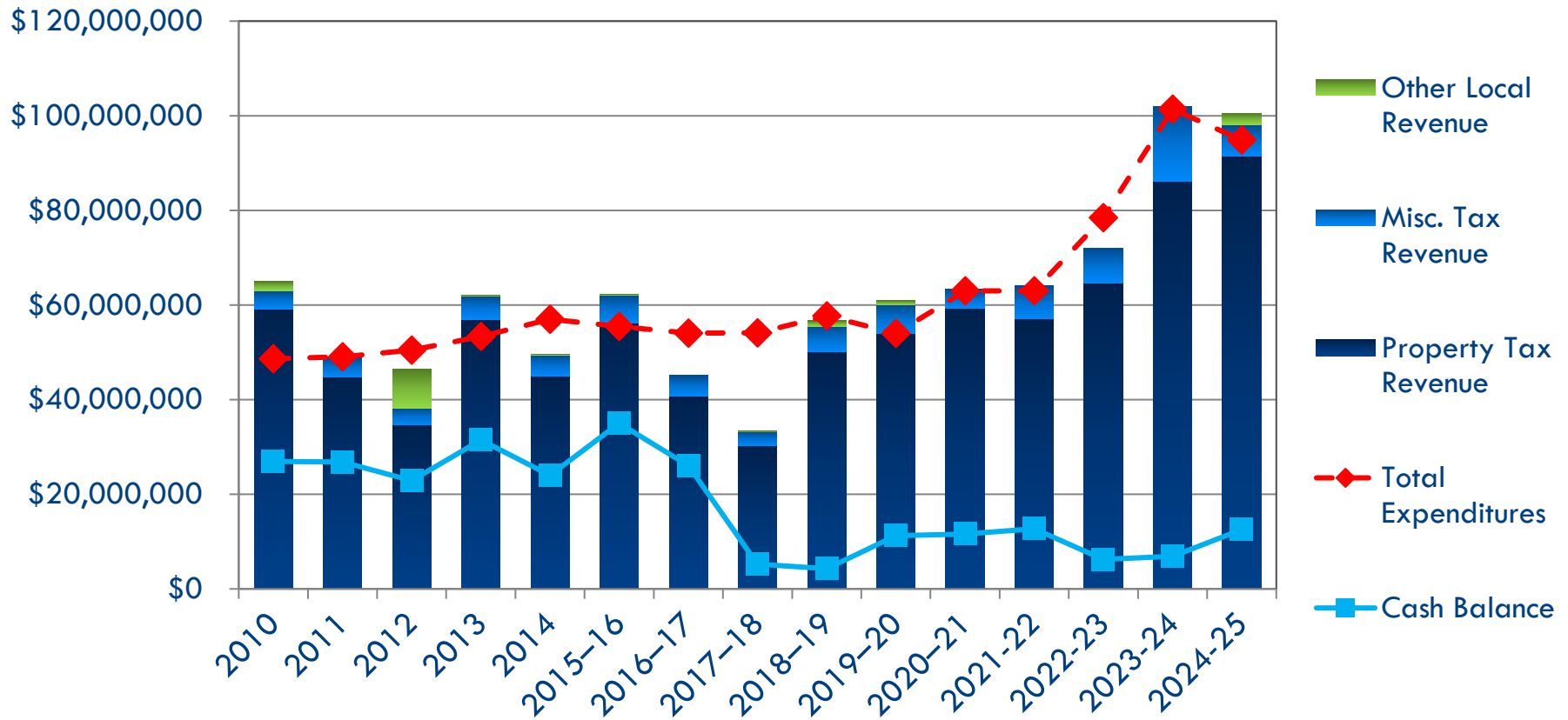
## General/Education Fund and Related Supporting Funds Calendar Year 2010 Through SY 2024–25

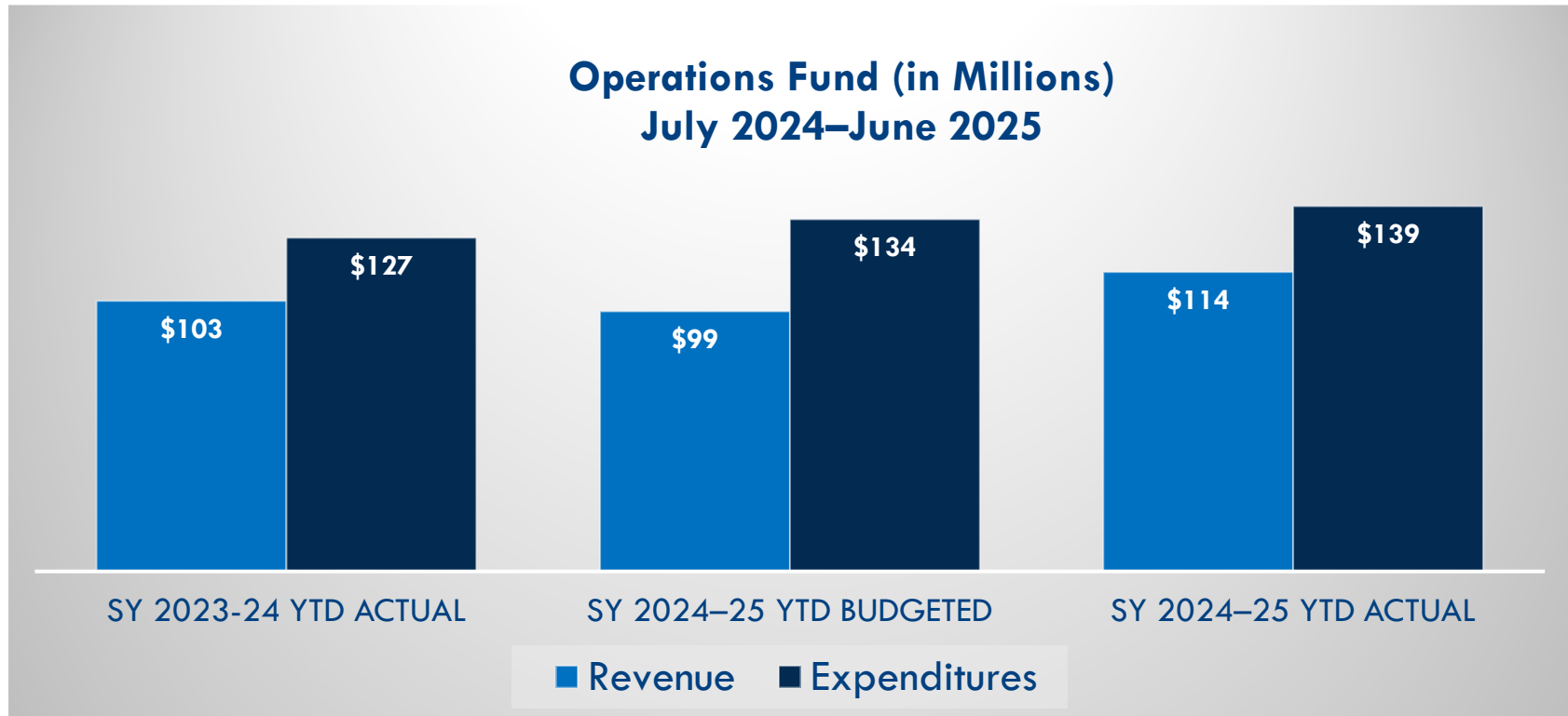




- ❑ Local property-tax revenues received semiannually
- ❑ Payments represent loan payments

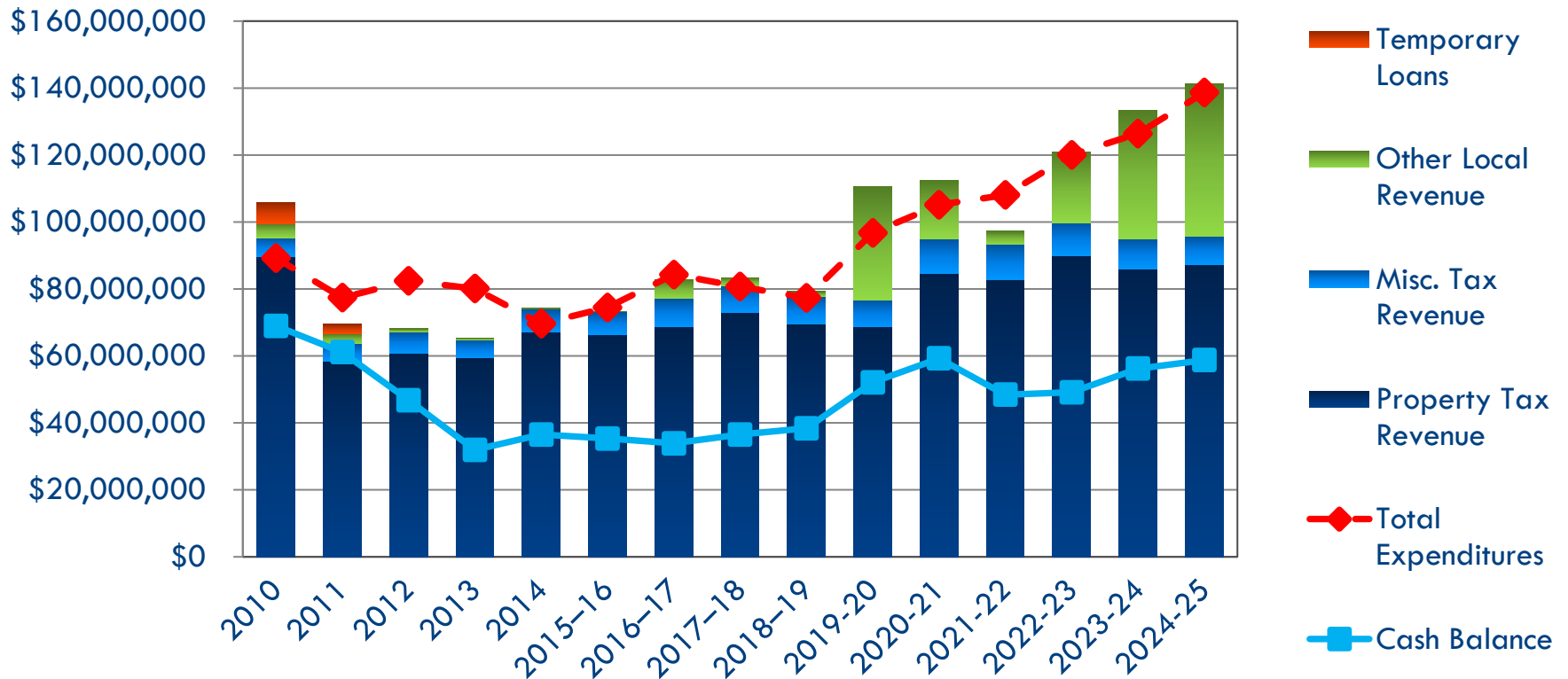
## Debt Service Funds Calendar Year 2010 Through SY 2024-25



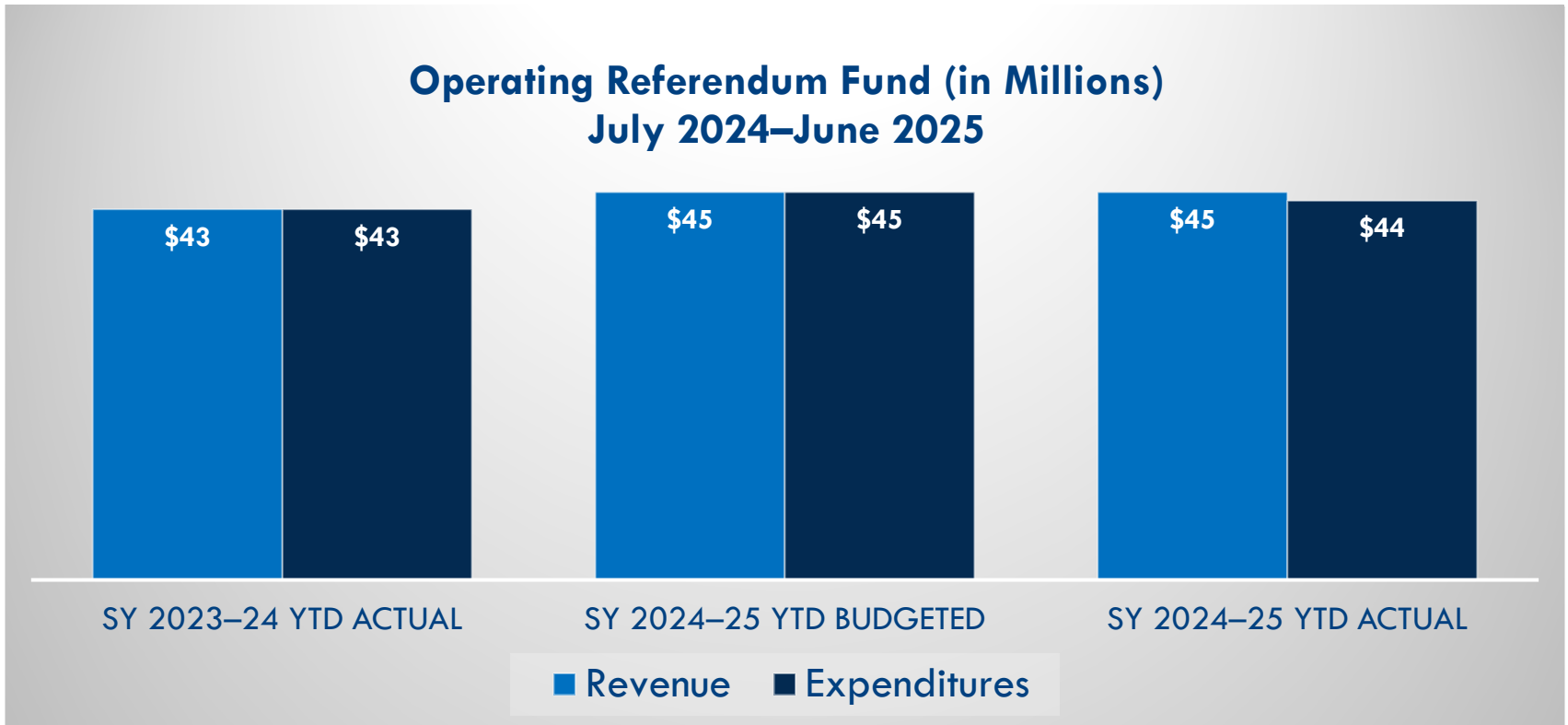


- ❑ Appropriation requested from DLGF = \$158M
- ❑ Local property-tax revenues received semiannually
- ❑ Property-tax caps decrease receipts, reducing revenue received
- ❑ Includes administrative operations, utilities, facilities maintenance projects, and transportation

## Operations Fund Calendar Year 2010 Through SY 2024-25

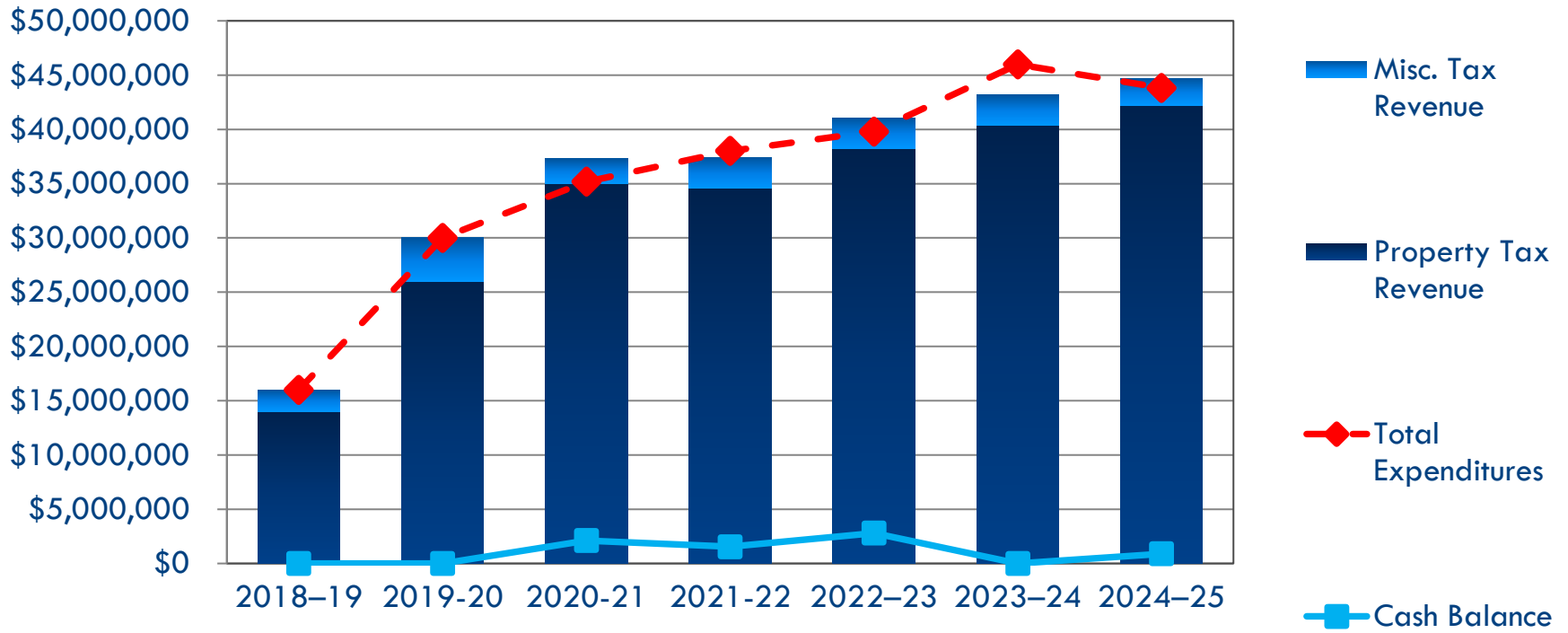


Effective July 1, 2019, "Capital Projects Fund," "Transportation Operating," and "Bus Replacement" consolidated into "Operations Fund"

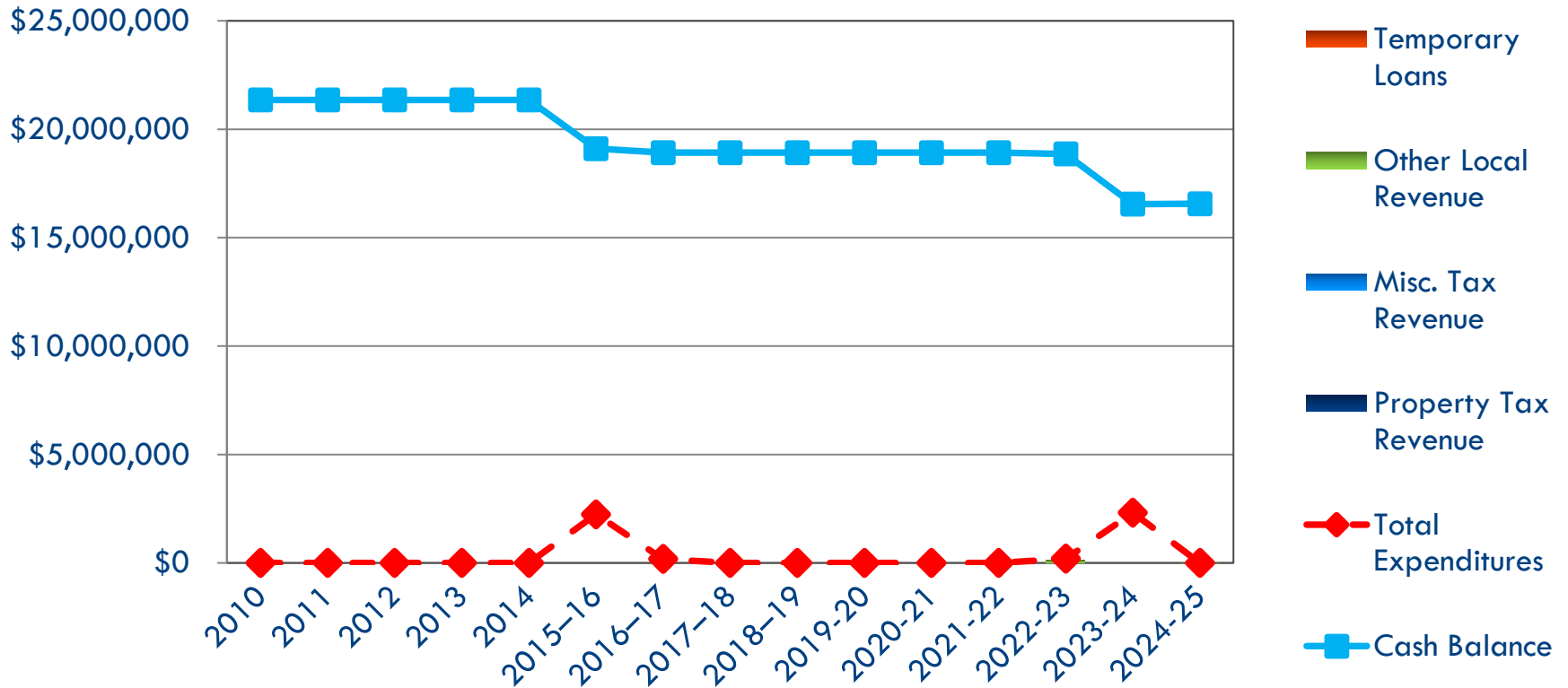


- ❑ Local property-tax revenues received semiannually
- ❑ Operating Referendum passed by voters November 2018

## Operating Referendum Fund SY 2018–19 Through SY 2024–25

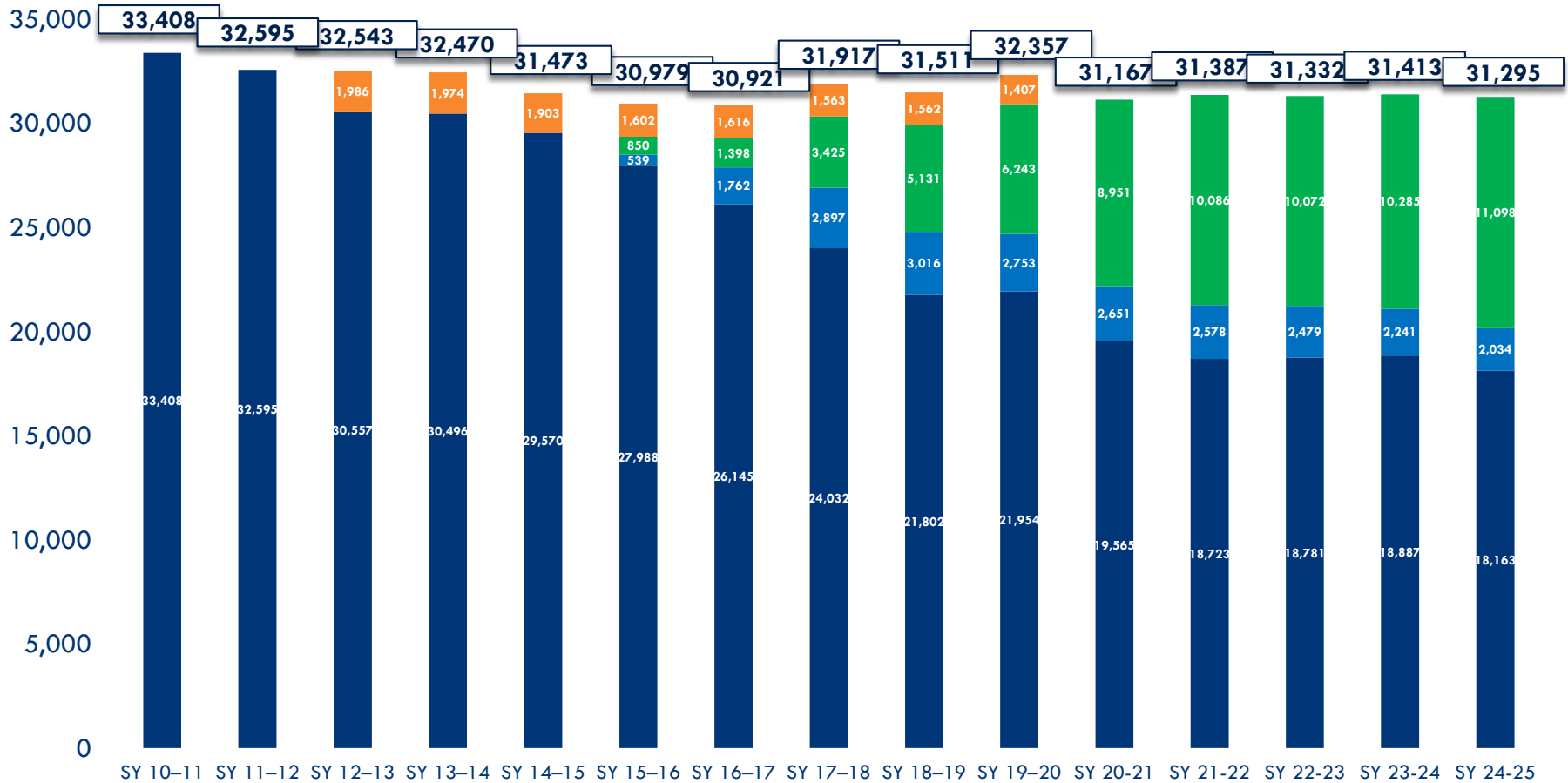


## Rainy-Day Fund Calendar Year 2010 Through SY 2024–25



## Historical Perspective: Enrollment

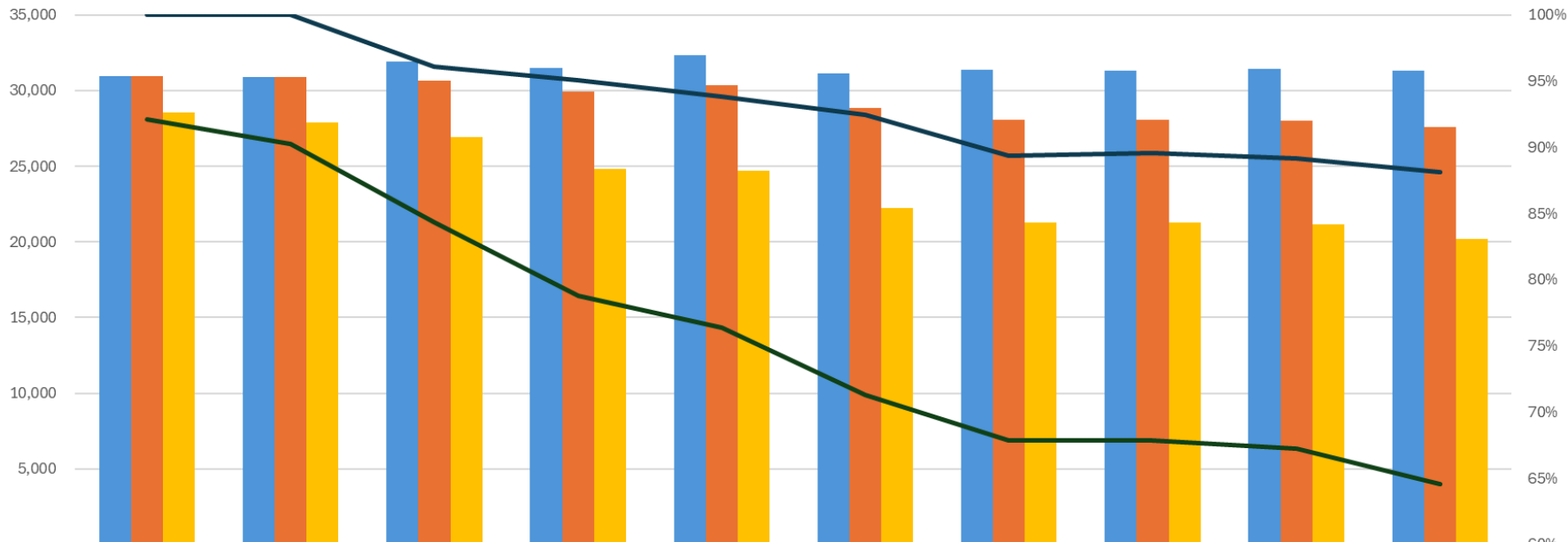
Enrollment has stabilized and increased slightly in recent years amidst shifts in school types, the expansion of the Innovation Network, and the return of Turnaround Academies. Recently, COVID-19 has impacted enrollment.



## Students Served (ADM)

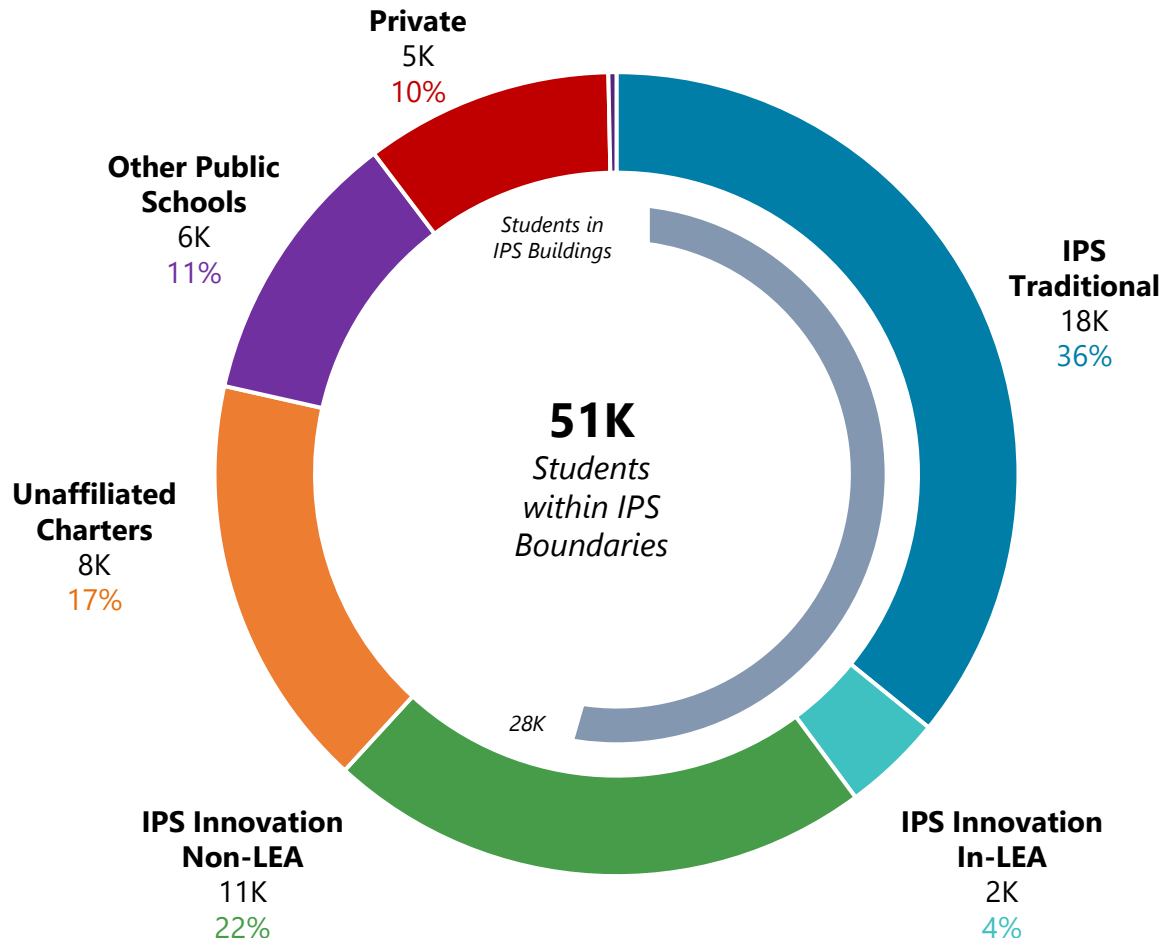
ADM for IPS Accountability has increased since SY 2015-16. Over same time period, ADM supported by operational services such as Facilities, Transportation, IT has decreased, but not as much as ADM of IPS-LEA. When IPS develops the Annual Budget for Schools, Staff, and Services, initiatives & reporting is aligned to serve students at varying service levels.

ADM Trends



	SY 2015-16	SY 2016-17	SY 2017-18	SY 2018-19	SY 2019-20	SY 2020-21	SY 2021-22	SY 2022-23	SY 2023-24	SY 2024-25
ADM	30,979	30,921	31,917	31,511	32,357	31,167	31,387	31,332	31,413	31,295
In IPS Building	30,979	30,921	30,670	29,947	30,357	28,827	28,042	28,065	28,014	27,572
IPS LEA	28,527	27,907	26,929	24,818	24,707	22,216	21,301	21,260	21,128	20,197
% in IPS Building	100%	100%	96%	95%	94%	92%	89%	90%	89%	88%
% IPS-LEA	92%	90%	84%	79%	76%	71%	68%	68%	67%	65%

### Distribution of Resident Students



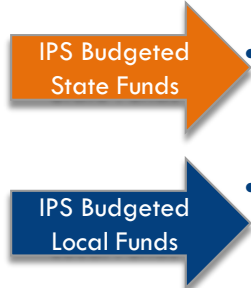
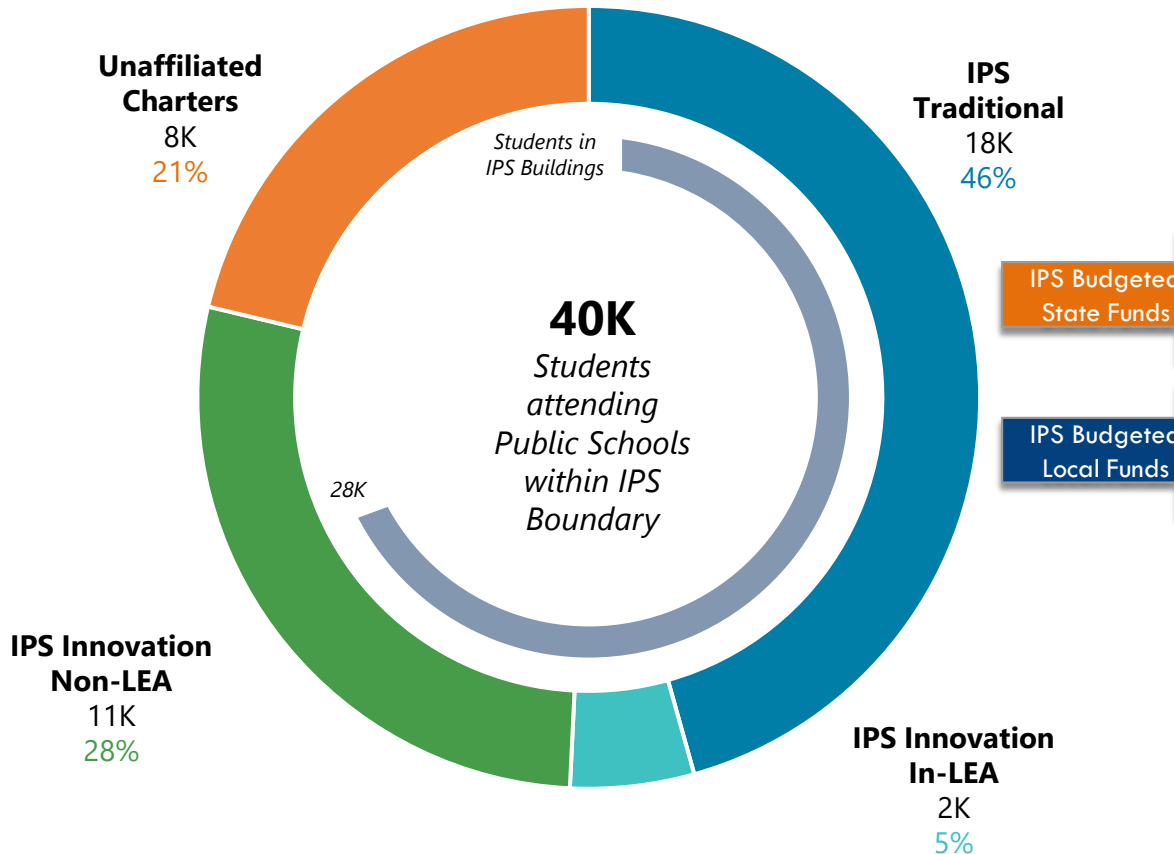
Discussions around school funding depend on the number of students

- **“20k”** → IPS Federal and State Reporting → “IPS-LEA”
- **“28k”** → Supported by IPS Operations → “IPS Operations”
- **“30k”** → IPS Accountability → “IPS Innovation Network”
- **“40k”** → IPS Boundary Public School Students → “IPS Boundary”
- **“50k”** for K-12 age students in IPS Boundary

### Distribution of Public School Enrollment of Schools within IPS Boundary

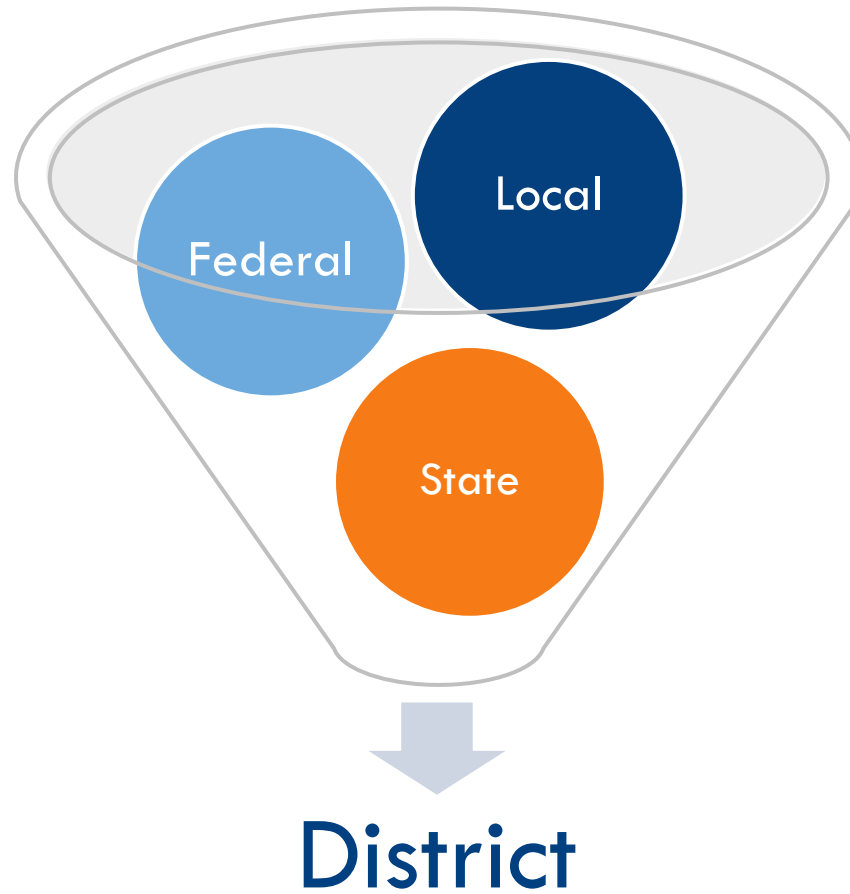
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- **“40k”** → IPS Boundary Public School Students → “IPS Boundary”



Graph Excludes Transfers to other public schools (5k) and non-public schools (5k)

- **“50k”** for K-12 age students in IPS Boundary

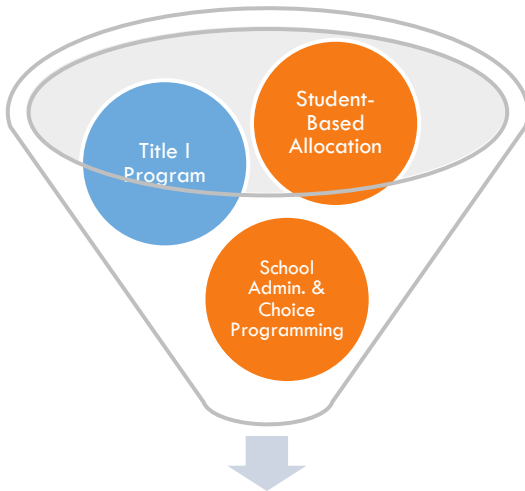


## Example: Traditional & Innovation LEA School Funding

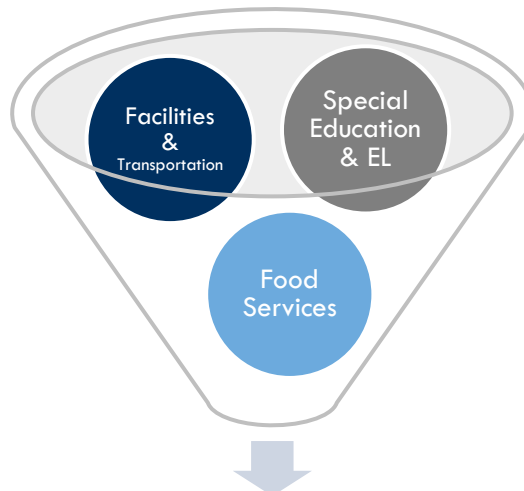
IPS Boundary



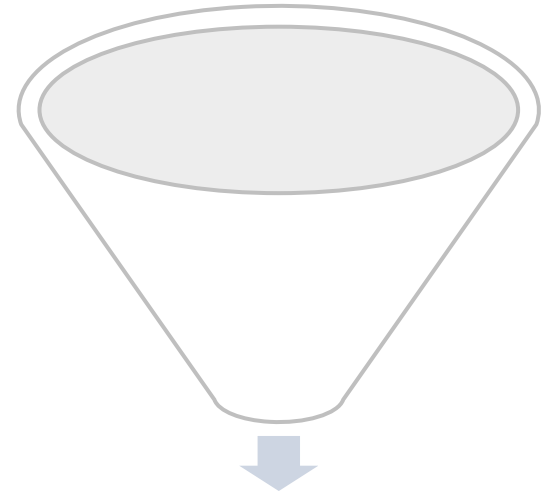
Local • State • Federal  
Combination



Funds Distributed to School Through IPS



In-Kind Benefits & Services Provided By IPS to School



Funds Distributed Directly to School



# Example Allotments for SY 2024–25

42

## Example: Traditional & Innovation-LEA School Funding

Allocation Source (Under SBA)	\$ PP	Students	Dollars
Base Allocation	\$2,600	349	\$907,400
English Language Learner Weight	\$260/\$520/\$780/\$1,040	30/15/10/15	\$39,000
Poverty Weight	\$780	302	\$235,560
Grade Band Weight	\$2,000	349	\$698,000
Baseline Supplement			\$45,000
Strategic Support			-
<b>Total:</b>			<b>\$1,924,960</b>

Through SBA

Restricted Funds (not comprehensive)	
Title I Allocation	\$124,238
Title II/III Allocation	\$16,799
<b>Total:</b>	<b>\$141,000</b>

Locked Resources (not comprehensive)	
Custodial Services	\$120,338
Food Service	\$218,695
Special Education	\$342,000
English Learners	\$78,987
School Admin. and Central Services	\$253,251
Choice Programming	\$0
Transportation Services	\$400,695
Facilities Maintenance	\$500,695
<b>Total:</b>	<b>\$1,915,000</b>

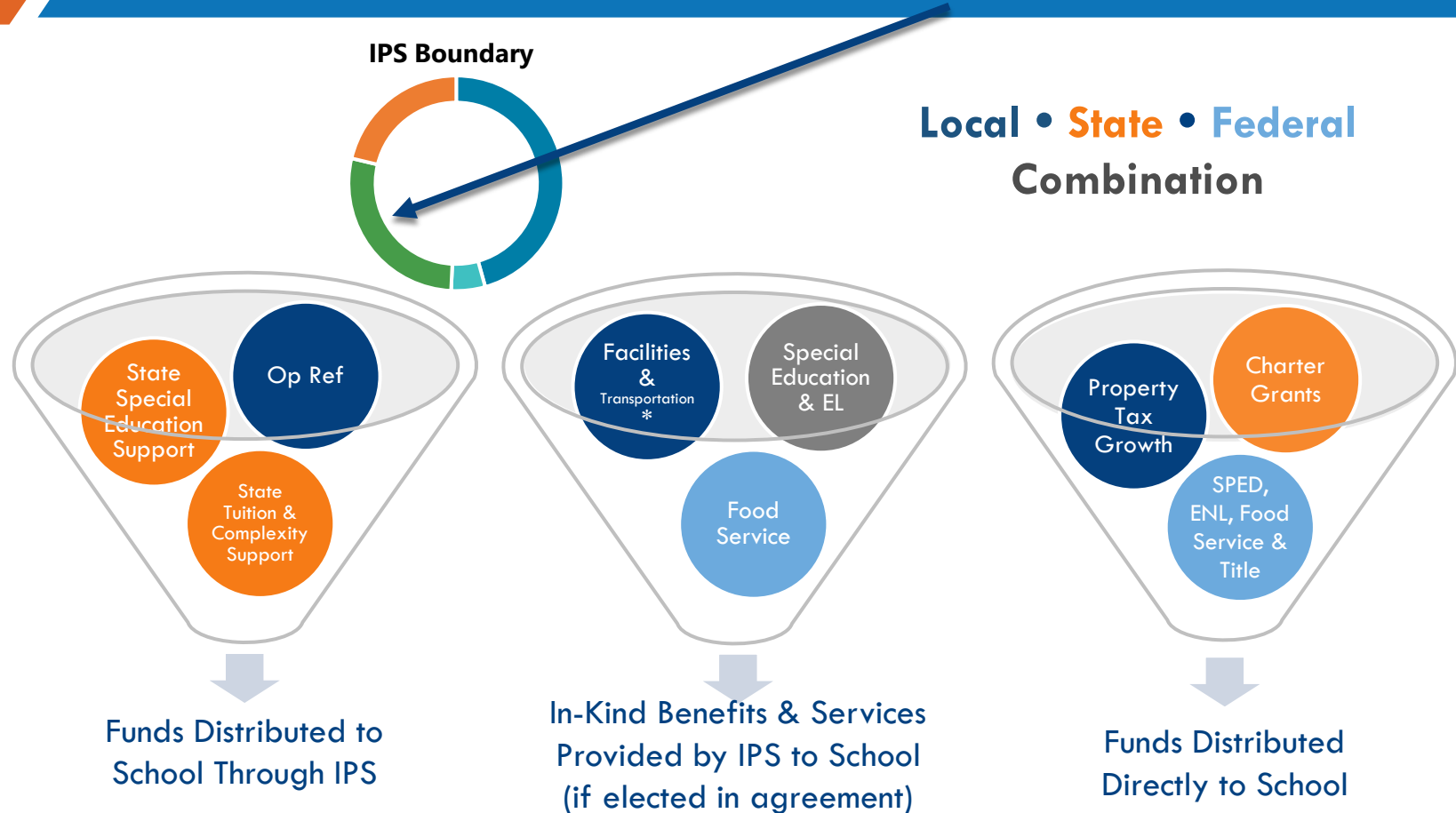
Outside SBA

**Local • State • Federal  
Combination**

Content updated 11.11.2024

School allocations posted to [myips.org](http://myips.org)

## Example: Innovation-Non-LEA School Funding



\*Non-LEA innovation schools may utilize state tuition dollars to fund transportation and facilities; however, some innovation operators are provided transportation and facilities due to access to IPS property-tax funded services. See individual non-LEA innovation agreements for more details.

Allocation Source	\$ PP	Students	Dollars
Tuition Support	\$8,153	349	\$2,845,397
Special Education Support – Level 1	\$551	10	\$5,510
Special Education Support – Level 2	\$2,930	3	\$8,790
Special Education Support – Level 3	\$11,659	1	\$11,659
Operating Referendum Share	\$500	349	\$174,500
<b>Total:</b>			<b>\$3,045,856</b>

Per-Pupil Agreement

Restricted Funds (not comprehensive)	
Title I Allocation	\$124,238
Title II/III Allocation	\$16,799
<b>Total:</b>	<b>\$141,000</b>

Locked Resources (not comprehensive)	
Custodial Services	\$120,338
Food Service	\$218,695
Special Education	\$321,300
English Learners	\$78,987
School Admin. and Central Services	\$253,251
Transportation Services*	\$400,695
Facilities Maintenance*	\$500,695
<b>Total:</b>	<b>\$1,893,961</b>

Services and Operations Per Agreement

### Local • State • Federal

\*Non-LEA innovation schools may utilize state tuition dollars to fund transportation and facilities; however, some innovation operators are provided transportation and facilities due to access to IPS property-tax funded services. See individual non-LEA innovation agreements for more details.

Values	
<b>Students First</b>	We believe that students can achieve at their highest levels if we hold ourselves to an expectation of excellence and focus on students' holistic needs, setting them up for lives of choice and purpose.
<b>Racial Equity</b>	We strive to build diverse, inclusive, and antiracist classrooms and teams, deploy our resources to ensure students and team members get the opportunities they need to succeed, and ensure our classrooms and work environments respect the dignity of all.
<b>Continuous Improvement</b>	We endeavor to get better and achieve more through hard work and continuous learning, both as individuals and as a system.
<b>Integrity</b>	We hold ourselves to the highest possible standards of professionalism and service and communicate with candor and care.
<b>Community</b>	We treat each other with love and respect, work effectively across lines of difference, and continuously build the supportive, inclusive community within IPS that we desire for our city.

## Strategic Priorities

### **SP1: Increase Access to Rigorous Curriculum and Instruction**

Support adults at all levels of the system to build safe, engaging, and socially and emotionally supportive learning environments for students that ensure access to high-quality curriculum and instruction.

### **SP2: Promote Racial Equity**

Strengthen and expand our work to eliminate opportunity gaps, align policies and talent decisions to IPS' anti-racism agenda, and build capacity for team members to persistently interrupt and address institutional bias.

### **SP3: Foster Authentic Engagement**

Equip and engage families, team members, and the community in authentic and inclusive partnerships.

### **SP4: Operate and Fund Strategically**

Strengthen the efficacy and equity of central office supports, services, and resource allocations.

## TOTAL DIVERSITY SPENDING

SPENDING TYPE	Q1 2025	Q2 2025	Q3 2025	Q4 2025	2025 YTD TOTAL	2024 YTD TOTAL
<b>Total XBE Actual</b>	\$ 13,484,177	\$ 17,775,372	\$ -	\$ -	\$ 31,259,549	\$ 44,657,434
<b>NON XBE</b>	\$ 59,538,850	\$ 80,295,694	\$ -	\$ -	\$ 139,834,544	\$ 186,093,369
<b>TOTAL</b>	\$ 73,023,027	\$ 98,071,065	\$ -	\$ -	\$ 171,094,093	\$ 230,750,802

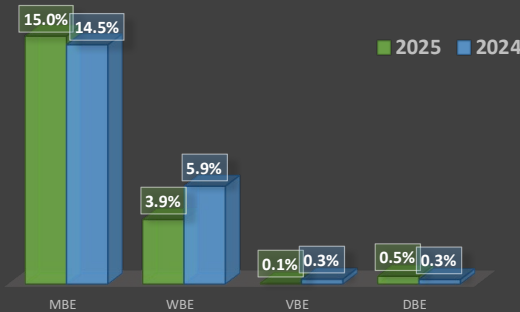
## DETAIL BREAKDOWN

\*\*Breakdown is total spending by type. Numbers may not add up to Total XBE above as some vendors fall into multiple categories, so their spending is counted in each.\*\*

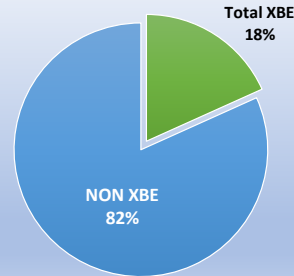
MINORITY TYPE	Q1 2025	Q2 2025	Q3 2025	Q4 2025	2025 YTD TOTAL	2024 YTD TOTAL
<b>MBE</b>	\$ 11,521,192	\$ 14,217,112	\$ -	\$ -	\$ 25,738,304	\$ 33,508,948
<b>VBE</b>	\$ 56,141	\$ 34,638	\$ -	\$ -	\$ 90,780	\$ 687,168
<b>WBE</b>	\$ 2,541,950	\$ 4,152,135	\$ -	\$ -	\$ 6,694,085	\$ 13,704,874
<b>DBE</b>	\$ 348,408	\$ 469,003	\$ -	\$ -	\$ 817,411	\$ 644,035

## 2025 to 2024 Comparison

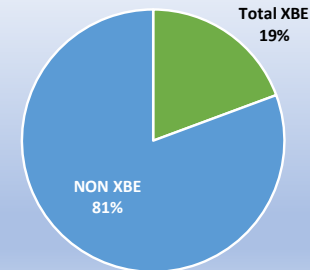
% OF OVERALL SPEND BY TYPE



2025 XBE SPEND OF ACTUAL



2024 XBE SPEND OF ACTUAL



### Top 5 Vendors 2025 YTD

POWERS-DAVIS JV, MBE	\$ 16,385,173
DNO INC, MBE	\$ 1,731,681
VPS ARCHITECTURE, WBE	\$ 889,345
RIVERS BUSINESS SOLUTIONS, MBE	\$ 900,861
TUTORED BY TEACHERS, MBE	\$ 782,800

### Top 5 Vendors 2024

POWERS-DAVIS JV, MBE	\$ 14,354,527
TUTORED BY TEACHERS, MBE	\$ 6,362,032
SCHMIDT ASSOCIATES, WBE	\$ 3,828,640
DNO INC, MBE	\$ 2,864,813
BUSINESS FURNITURE, WBE	\$ 1,729,197

### QUANTITY OF VENDORS USED 2025

XBE VENDORS USED	103
TOTAL VENDORS USED	815

### QUANTITY OF VENDORS USED 2024

XBE VENDORS USED	149
TOTAL VENDORS USED	1135

### Vendor Outreach & Engagement

- Host and Attend events to cultivate relationships and share IPS projects
- Host outreach meetings reaching 20-100 vendors per event
- Participate in External Stakeholder events

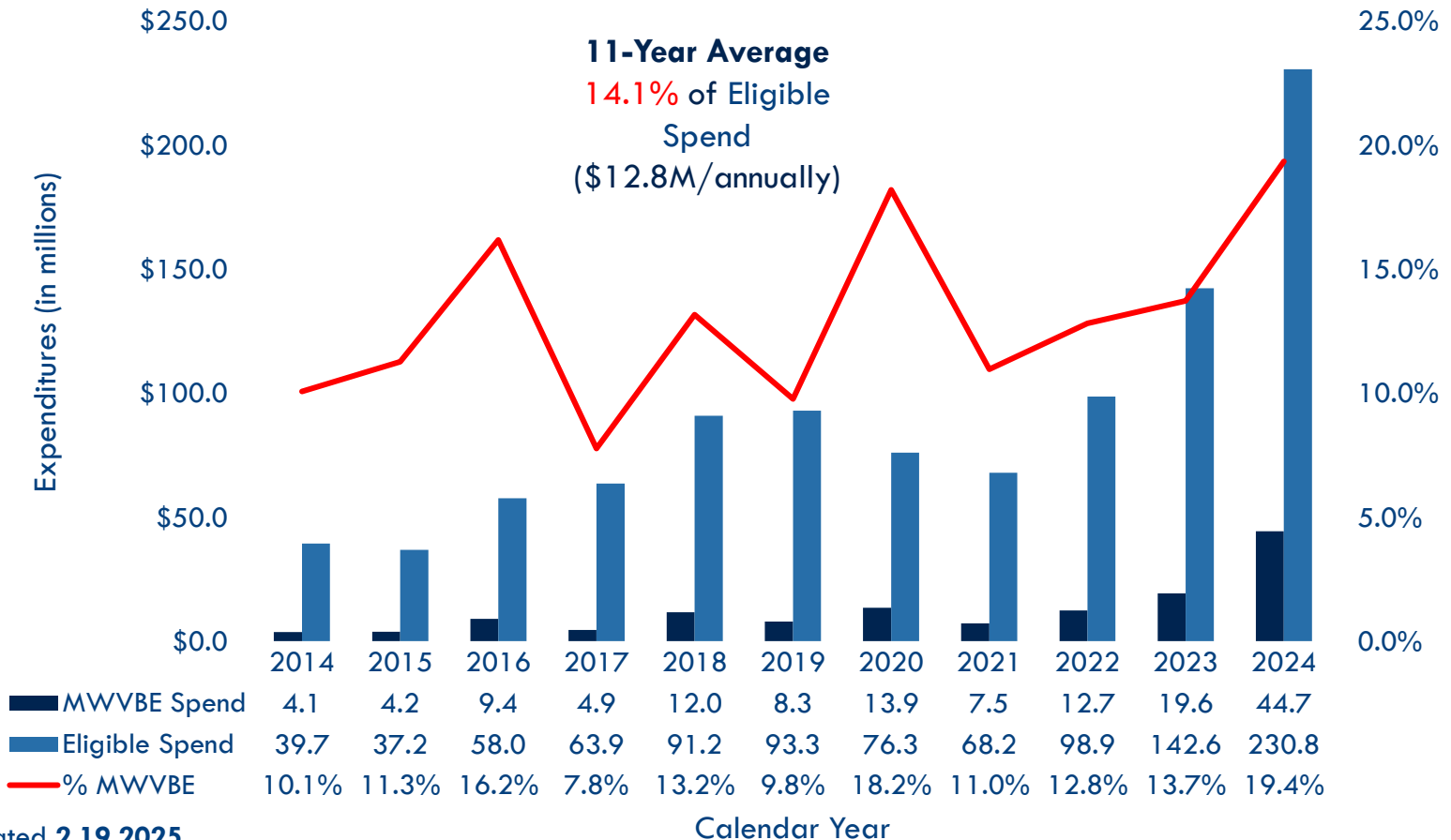
### Vendor Reporting & Disparity Study

- In partnership with [City of Indianapolis – Engaged with BBC Research & Consulting](#)
- Community Engagement, Process & Data Review, and Recommendations
- Draft Report being reviewed to develop next steps re: implementation plan

### Workforce Development

- Collaboration with Post-Secondary Readiness Team
- Cultivate opportunities with IPS Contractors for IPS students
- 80+ students expressed interested and 20+ employers engaged to determine student opportunities for job shadowing, internships, apprenticeships, and jobs

**Board Policy 6321 outlines IPS' commitment to promote and enhance business and economic development which is representative of the communities the district serves.**



### Title I

\$20M

Additional Supports for Students

Reduce achievement gap between students

### Title II

\$1.5M

Support Teacher Training

Support School Leader Training

### Title III

\$700k

Support students learning English

Support Teacher Training and Family Engagement

### Title IV

\$1.2M

Supports Student Well-being

Health & Safety of Students

## Special Education

Staffing and Resources for Students with Disabilities ages 3 to 21

Pre-K Staffing and Resources for Students with Disabilities ages 3 to 5

## Immigrant and Refugee

Supports for Immigrant Students

Supports for Afghan Refugees

## Homeless (“McKinney-Vento”)

Support Prek to 12<sup>th</sup> grade students experiencing Homelessness

Support Clothing and Transportation Needs

## Career & Vocational Education (“Perkins”)

Supports High School Career Pathway Strategy

Supports Staffing, Equipment, and Resources

## Title I

Funding provides schools additional supports for students to achieve academic goals.

The main goals are:

1. To help close achievement gaps between students
2. To ensure all students receive a quality education, regardless of their family's income

## Title III

Supports students learning English must take a test called WIDA ACCESS every year. Students who score between 1.0 and 4.9 are considered English learners.

These students receive supports:

1. Helps students improve their English and improve in core subjects
2. Provides training for school staff and assists with engaging English learners' families with their school

## Title II

Supports schools and student achievement by funding programs which enhance teacher and principal effectiveness. Schools may use the funds for various purposes, including:

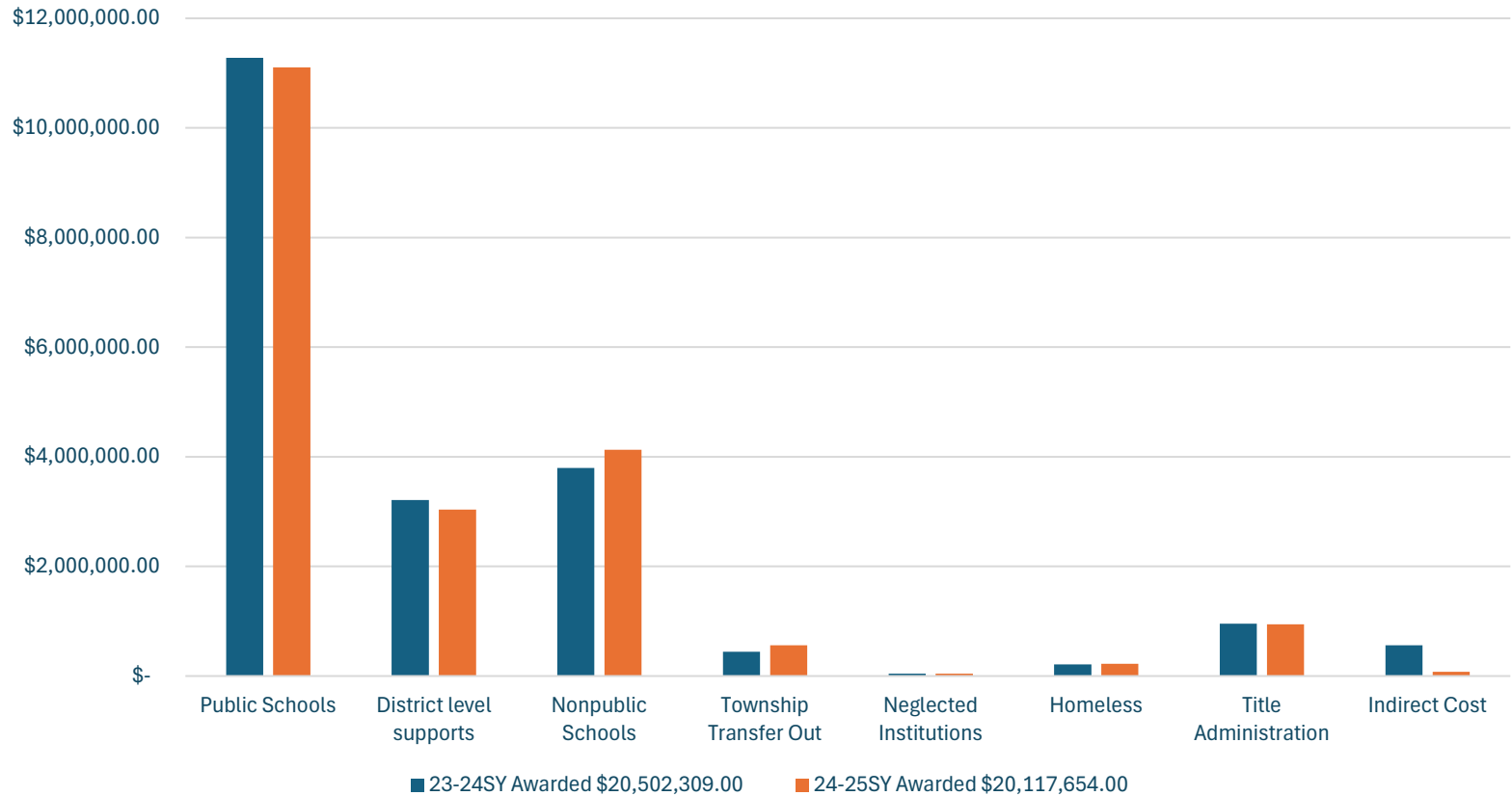
- Training new teachers
- Supporting new teachers when they start
- Providing ongoing professional development
- Developing stronger school leaders (principals and assistant principals)

## Title IV

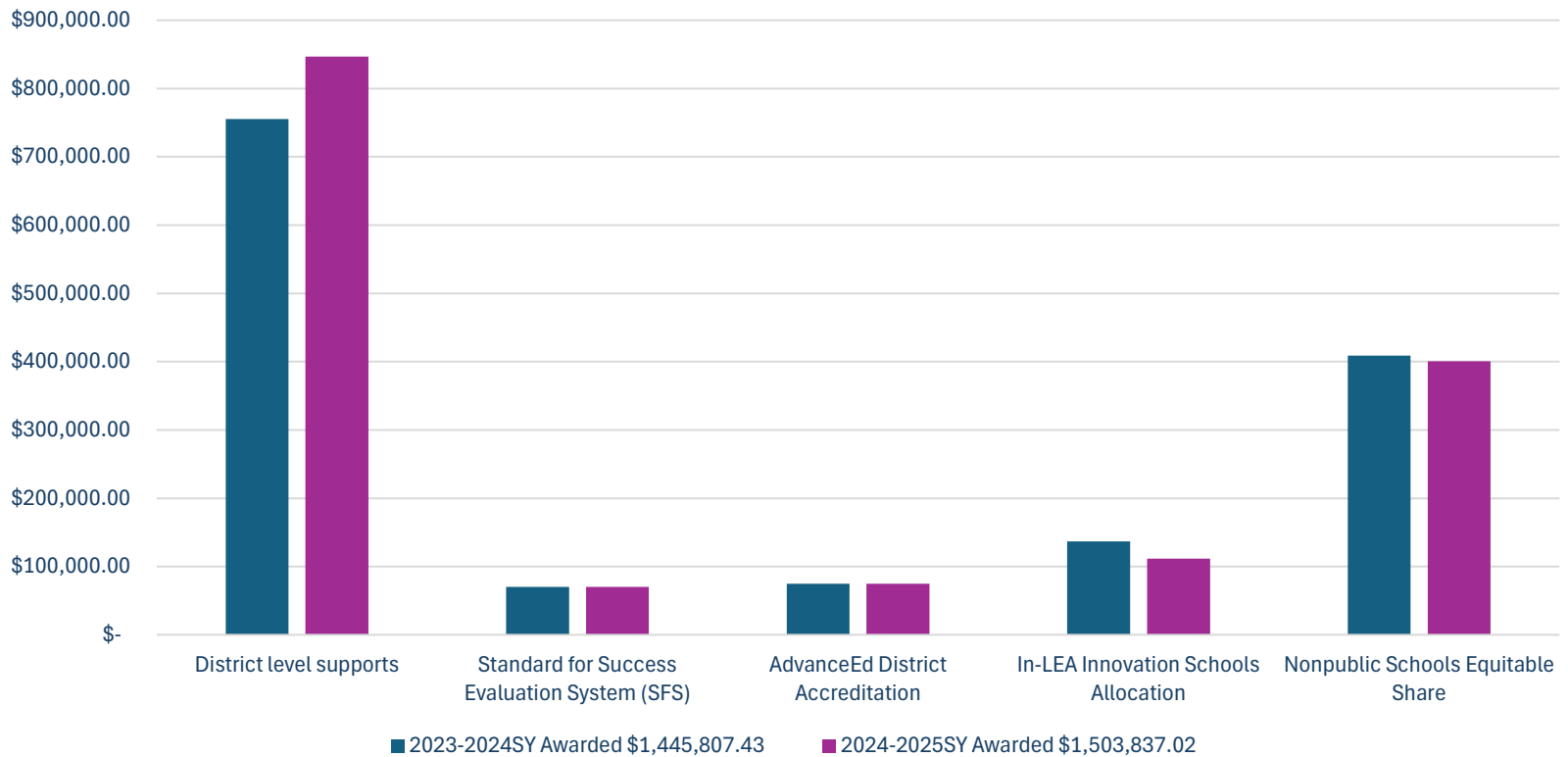
Focus areas impacting student wellbeing:

1. Well-Rounded Education
2. Safe & Healthy Students
3. Social Emotional Learning
4. Technology Support

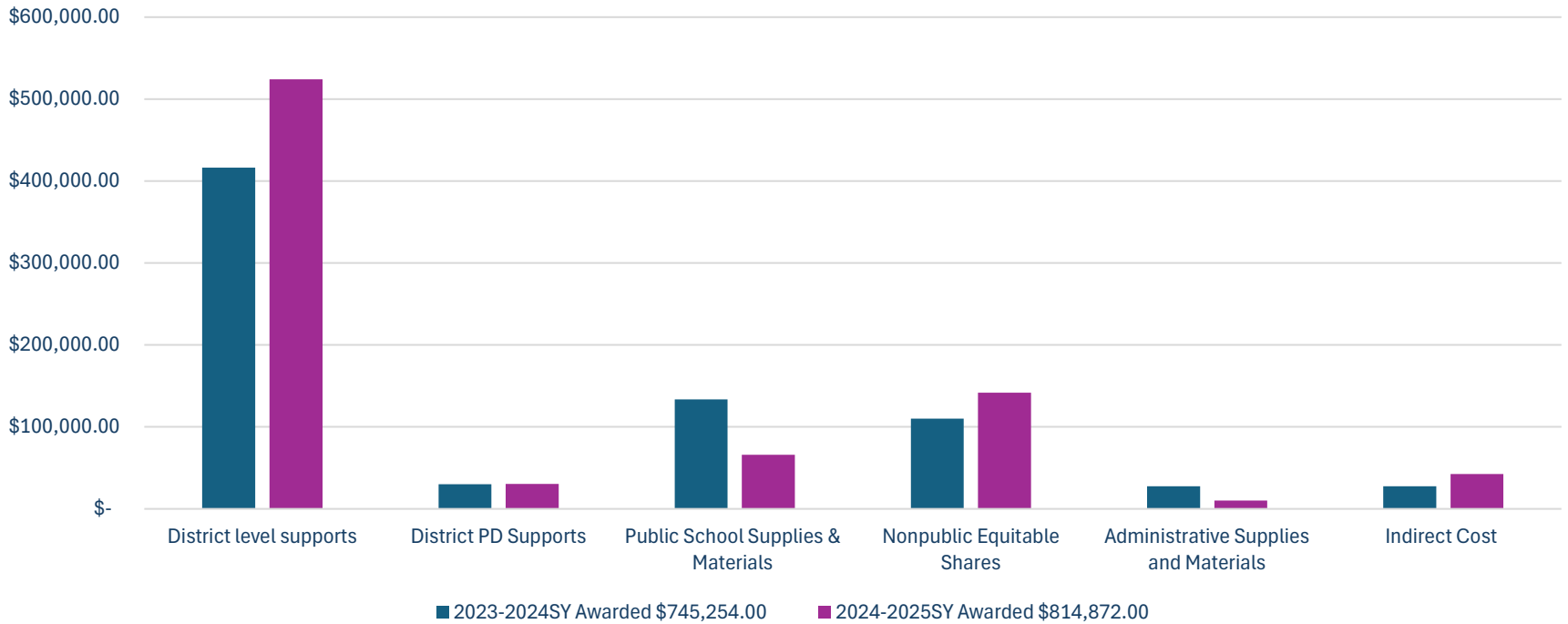
Title I Year by Year Comparison



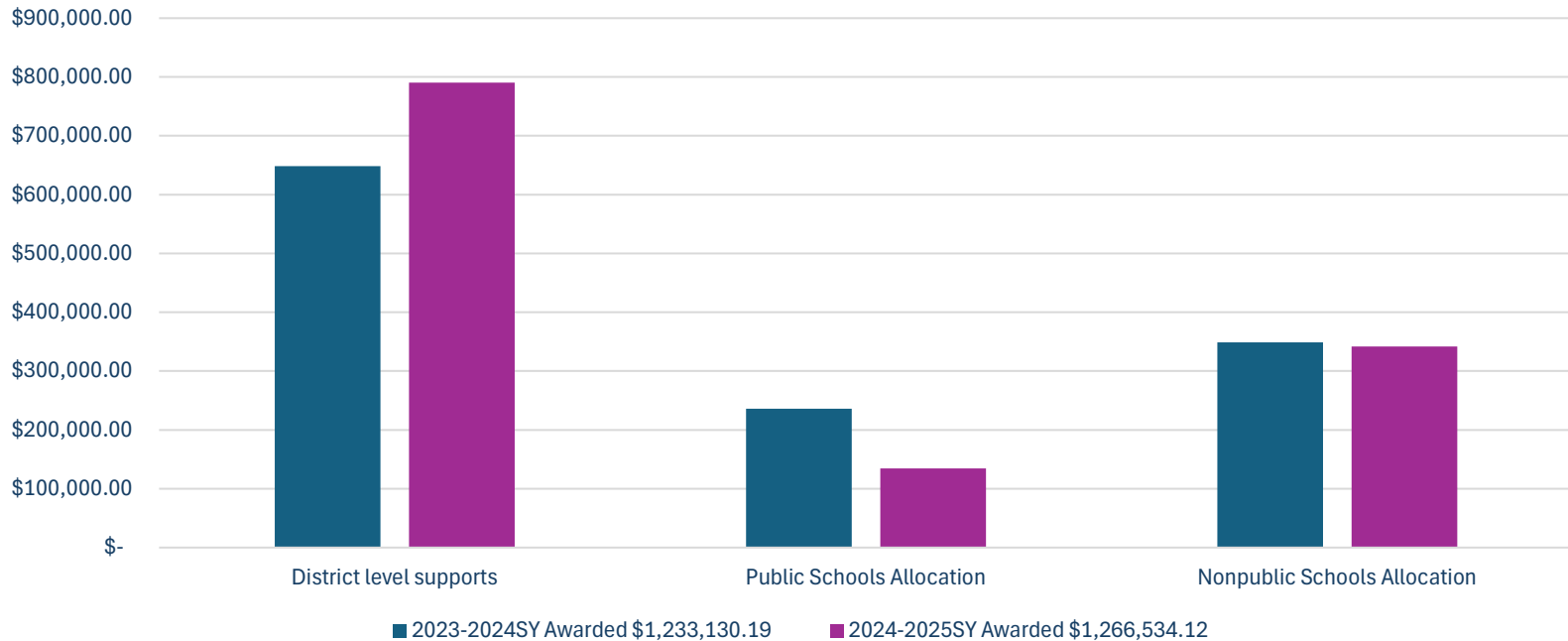
### Title II Year by Year Comparison



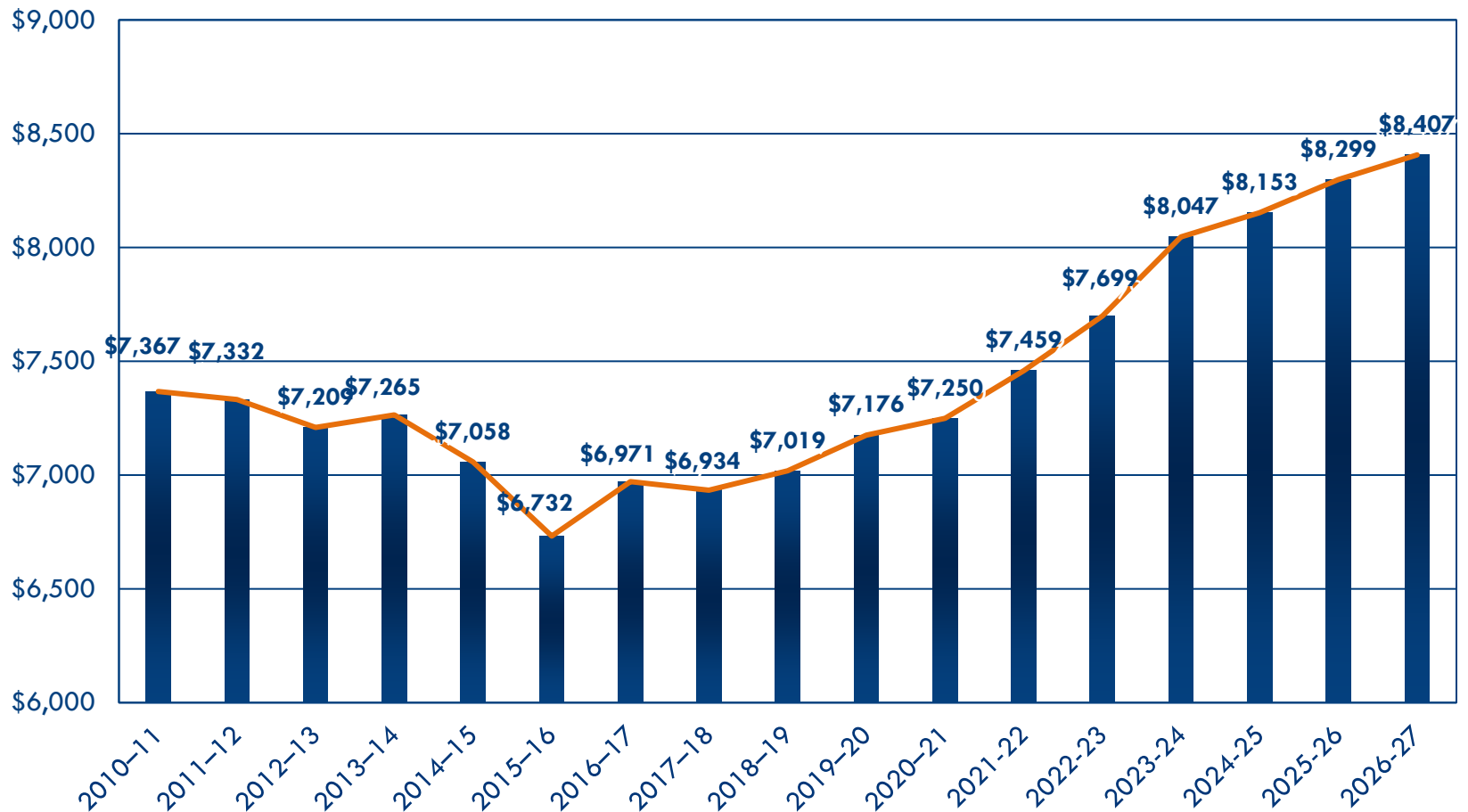
### Title III Year by Year Comparison



### Title IV Year by Year Comparison



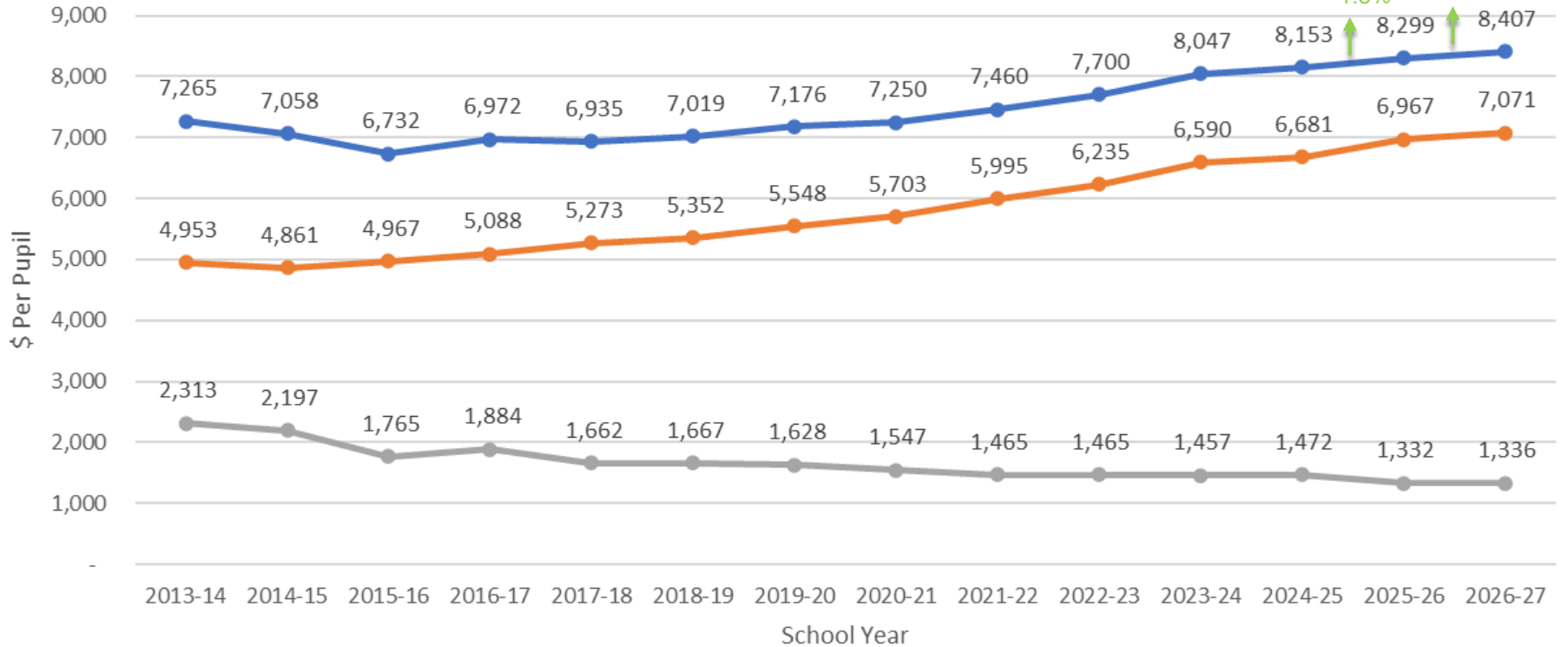
Over the past decade, IPS per pupil funding has been impacted by State Funding Formula priorities.



## Historical Perspective: State Fund Budget \$ Per Pupil

Over the past decade, IPS per pupil funding has been impacted by State Funding Formula priorities. SY 2025-26 and SY 2026-27 amounts will increase. Funding based on Student Need continues to decrease.

IPS State Tuition Support Trends



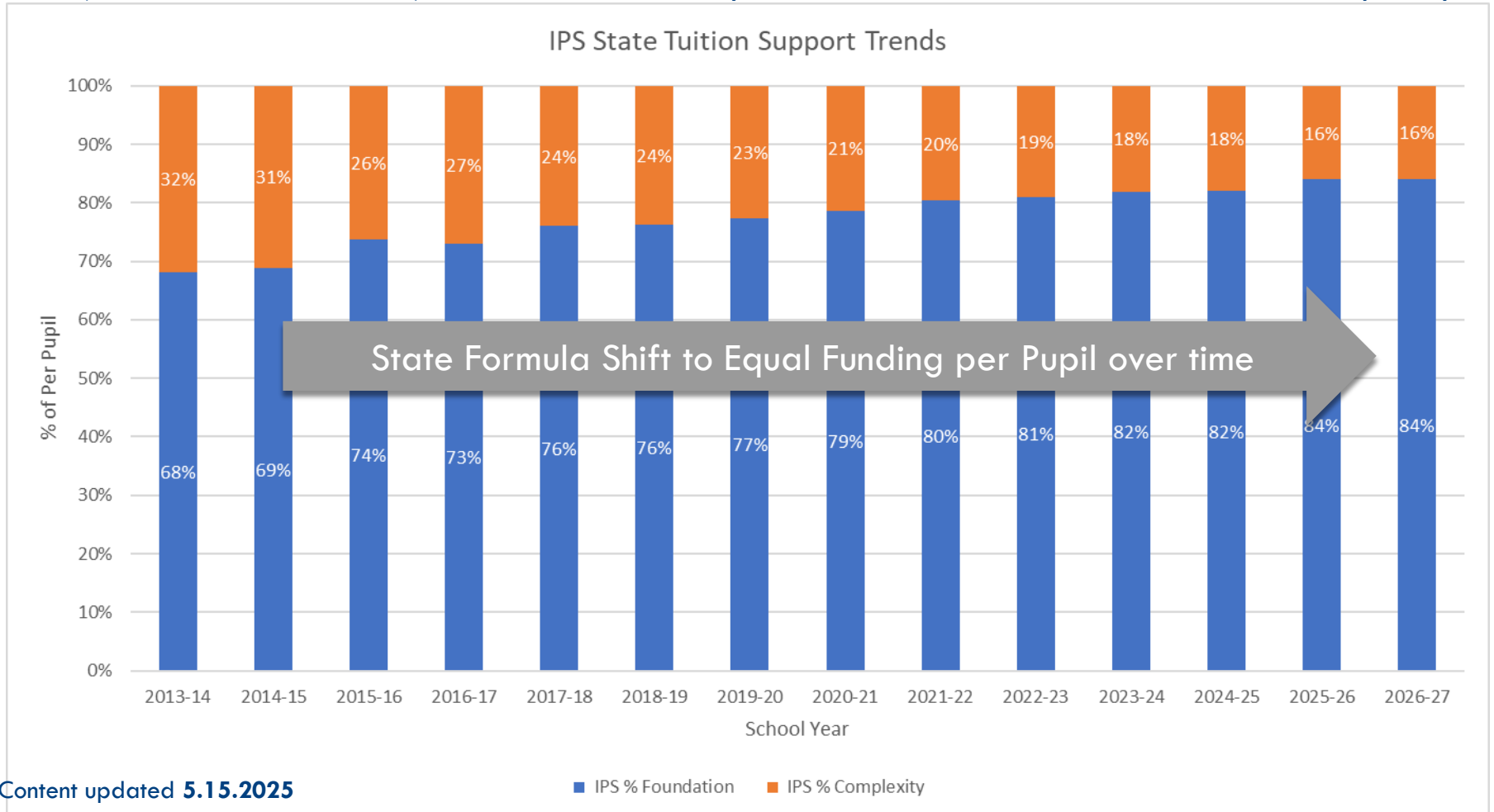
Content updated 5.14.2025

● IPS Tuition Support   
 ● IPS Foundation   
 ● IPS Complexity

Note: BASED ON FY 2023 THROUGH FY 2025 Conference Committee SCHOOL FORMULA SIMULATION RELEASED 4/28/25

## Historical Perspective: State Fund Budget \$ Per Pupil

The % of the Total Tuition Support made up between Foundation (same amount for all students) & Complexity (amount based on need) has shifted consistently over time to more Foundation and less Complexity.





# Long-Term Budget Planning

60

## 2025 Legislative Budget - State Fund Budget \$ Per Pupil

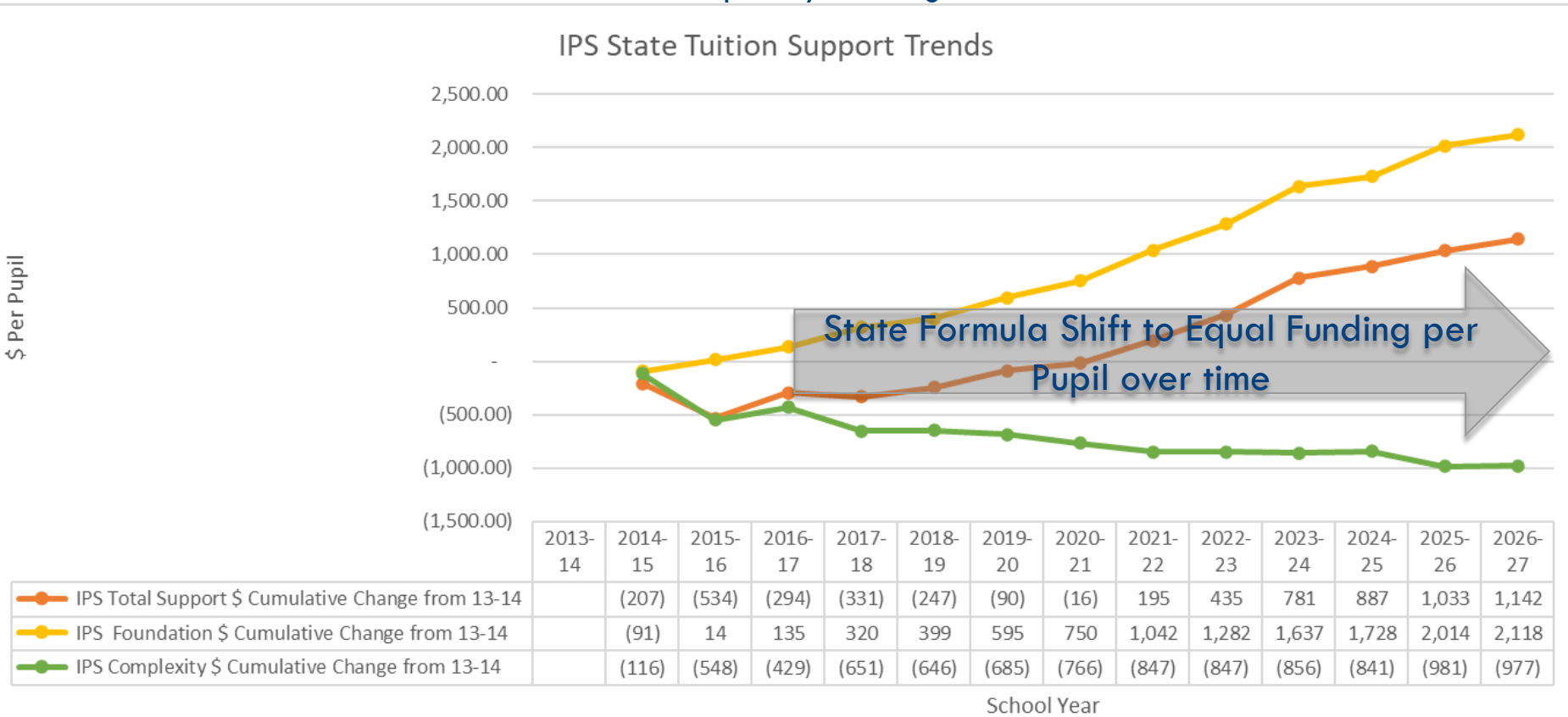
The past 3 state budgets have exhibited trends to prioritize funding Foundation funding (equal amount to all students) vs. Complexity Funding (based on need)

IPS will continue to advocate for equitable & adequate funding for all students

District	\$ per Pupil			Complexity Index %			\$ per Pupil % Change		
	SY 2024-25	SY 2025-26	SY 2026-27	SY 2024-25	SY 2025-26	SY 2026-27	24-25 to 25-26	25-26 to 26-27	24-25 to 26-27
Marion	8,416	8,666	8,776	43%	42%	42%	3.0%	1.3%	4.3%
South Bend	8,067	8,367	8,475	34%	35%	35%	3.7%	1.3%	5.1%
Kokomo	8,048	8,339	8,448	34%	34%	34%	3.6%	1.3%	5.0%
<b>IPS</b>	<b>8,153</b>	<b>8,299</b>	<b>8,407</b>	<b>36%</b>	<b>33%</b>	<b>33%</b>	<b>1.8%</b>	<b>1.3%</b>	<b>3.2%</b>
Richmond	8,066	8,279	8,387	34%	33%	33%	2.6%	1.3%	4.0%
MSD Warren	7,974	8,135	8,243	32%	29%	29%	2.0%	1.3%	3.4%
Beech Grove	7,830	8,087	8,195	29%	28%	28%	3.3%	1.3%	4.7%
Fort Wayne	7,802	8,020	8,127	28%	26%	26%	2.8%	1.3%	4.2%
MSD Lawrence	7,685	7,966	8,073	25%	25%	25%	3.6%	1.3%	5.0%
MSD Pike	7,679	7,928	8,035	25%	24%	24%	3.2%	1.4%	4.6%
MSD Wayne	7,750	7,907	8,014	27%	23%	23%	2.0%	1.4%	3.4%
Evansville	7,562	7,897	8,004	22%	23%	23%	4.4%	1.4%	5.8%
MSD Decatur	7,730	7,880	7,987	26%	23%	23%	1.9%	1.4%	3.3%
MSD Perry	7,650	7,856	7,963	24%	22%	22%	2.7%	1.4%	4.1%
Logansport	7,546	7,781	7,888	21%	20%	20%	3.1%	1.4%	4.5%
Crawfordsville	7,538	7,773	7,880	21%	20%	20%	3.1%	1.4%	4.5%
MSD Washington	7,521	7,739	7,845	21%	19%	19%	2.9%	1.4%	4.3%
Paoli	7,293	7,673	7,779	15%	18%	18%	5.2%	1.4%	6.7%
Washington	7,483	7,668	7,775	20%	18%	18%	2.5%	1.4%	3.9%
Martinsville	7,356	7,626	7,733	17%	16%	16%	3.7%	1.4%	5.1%
Indiana Average	7,385	7,624	7,730	18%	16%	16%	3.2%	1.4%	4.7%
Speedway	7,267	7,495	7,601	15%	13%	13%	3.1%	1.4%	4.6%
Centerville-Abington	7,176	7,493	7,599	12%	13%	13%	4.4%	1.4%	5.9%
Franklin Township	7,206	7,452	7,558	13%	12%	12%	3.4%	1.4%	4.9%
Penn Harris-Madison	6,970	7,270	7,375	7%	8%	8%	4.3%	1.4%	5.8%
Brownsburg	6,909	7,187	7,291	6%	5%	5%	4.0%	1.5%	5.5%
Danville	6,929	7,163	7,268	6%	5%	5%	3.4%	1.5%	4.9%
Hamilton Southeastern	6,839	7,121	7,226	4%	4%	4%	4.1%	1.5%	5.7%
Carmel Clay	6,774	7,047	7,151	2%	2%	2%	4.0%	1.5%	5.6%
Zionsville	6,724	7,026	7,130	1%	1%	1%	4.5%	1.5%	6.0%

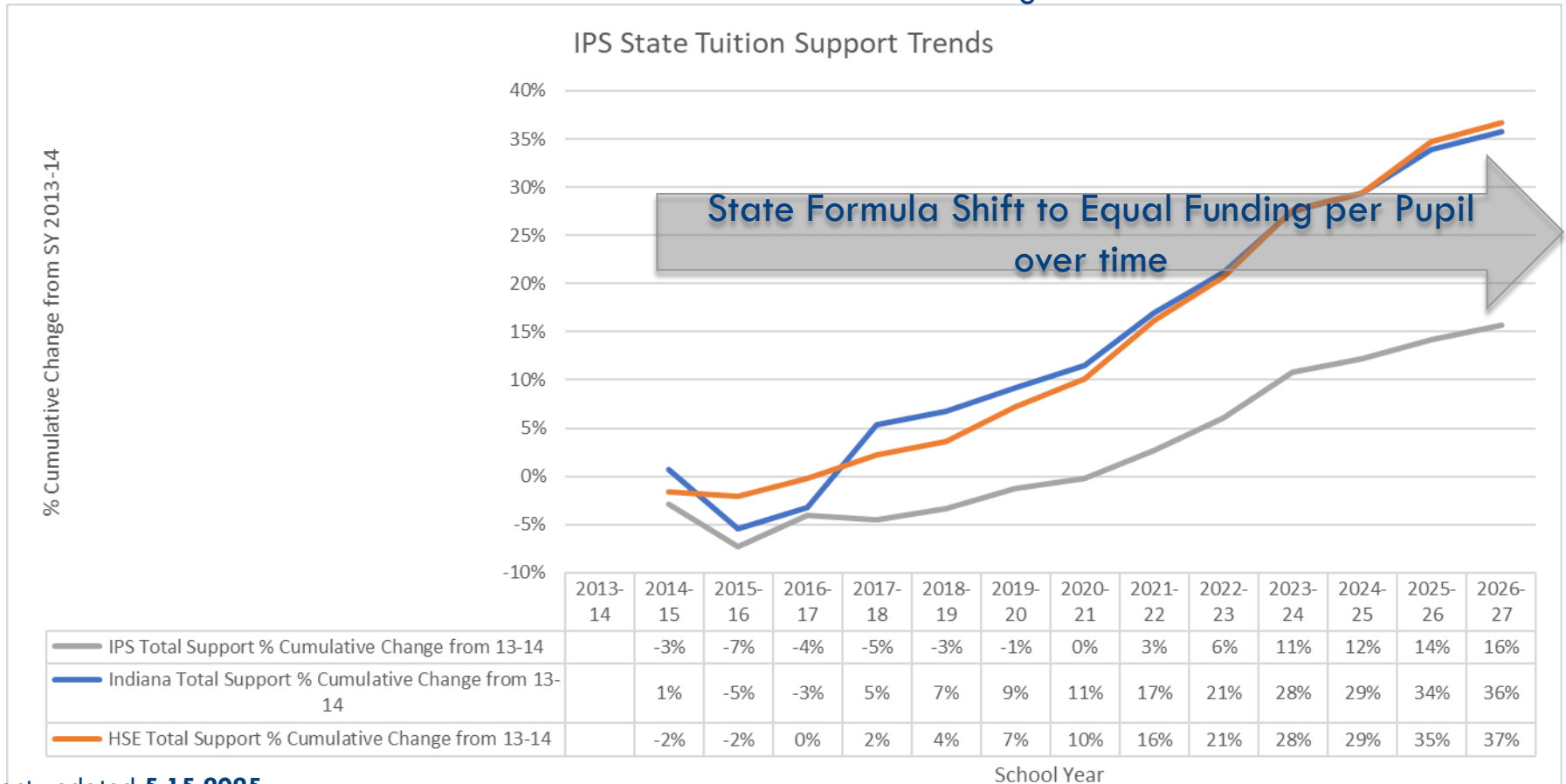
## Historical Perspective: State Fund Budget \$ Per Pupil

The Total Tuition Support made up between Foundation (same amount for all students) & Complexity (amount based on need) has shifted consistently over time to \$2,118 more Foundation Funding and \$977 less Complexity Funding.



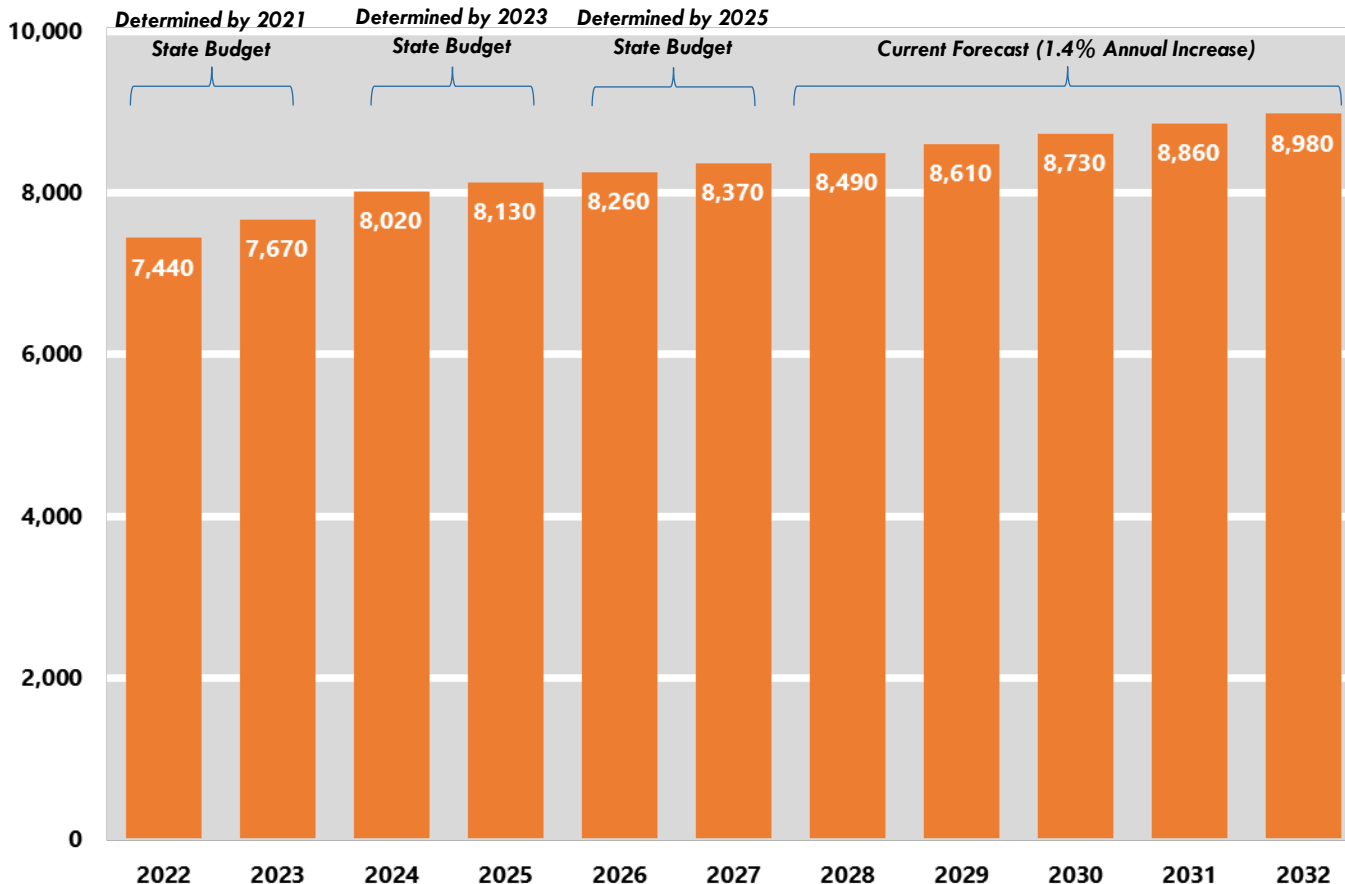
## Historical Perspective: State Fund Budget \$ Per Pupil

The Total Tuition Support for IPS has increased 16% since SY 2013-14, while over the same time the Indiana Average has increased 36%. Districts with significantly less poverty than IPS have experienced increases similar to the Indiana Average.



### Tuition Support Forecast: Per Student Funding

Total Foundation Grant plus Complexity

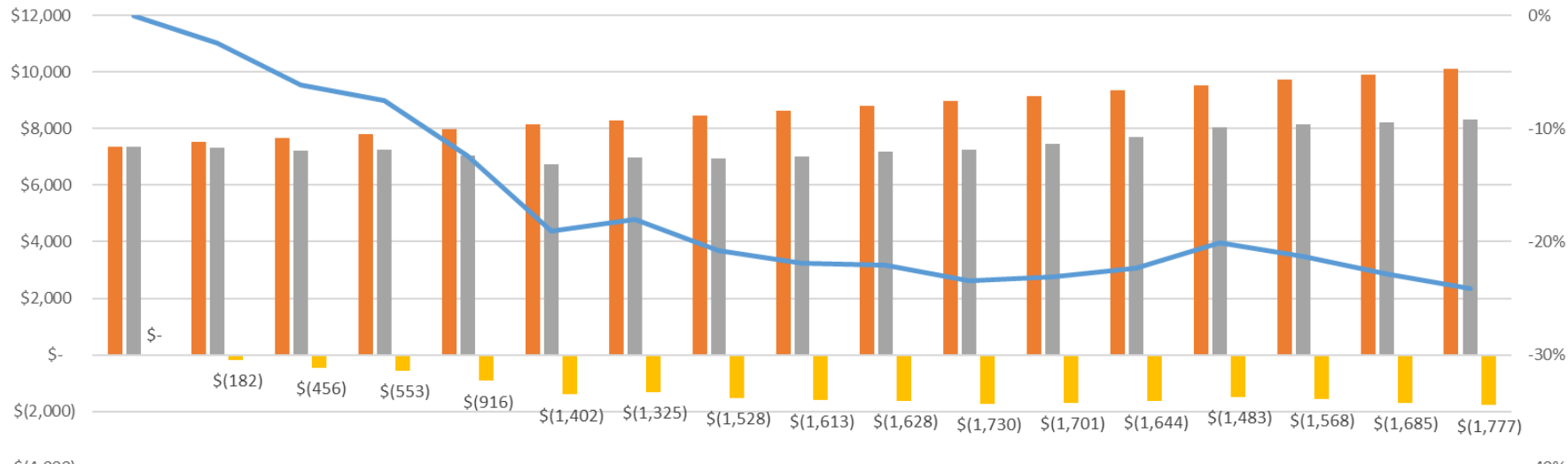


- State tuition support funding is comprised of the Foundation Grant, which is uniform for all students, and the Complexity Grant, which directs more funding to at-need students.
- In recent years, the General Assembly has prioritized increasing the Foundation Grant over the Complexity Grant.
- The 2025 State Budget included per student funding increases for IPS: 1.6% in 2026 and 1.3% in 2027.
- Tuition Support growth is conservatively projected at 1.4% annually going forward.

## Historical Perspective: State Fund Budget \$ Per Pupil

**If IPS funding in SY 2010-11 had experienced 2% inflationary growth through SY 2026-27, IPS would be receive around \$1,700 per pupil more than actually allocated in state funding formula.**

IPS State Per Pupil Funding  
2% Inflation Adjusted SY 2010-11 vs Actual



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
2011 + Inflation	\$7,367	\$7,514	\$7,665	\$7,818	\$7,974	\$8,134	\$8,296	\$8,462	\$8,632	\$8,804	\$8,980	\$9,160	\$9,343	\$9,530	\$9,721	\$9,915	\$10,113
Actual	\$7,367	\$7,332	\$7,209	\$7,265	\$7,058	\$6,732	\$6,971	\$6,934	\$7,019	\$7,176	\$7,250	\$7,459	\$7,699	\$8,047	\$8,153	\$8,230	\$8,336
Diff per pupil	\$-	\$(182)	\$(456)	\$(553)	\$(916)	\$(1,402)	\$(1,325)	\$(1,528)	\$(1,613)	\$(1,628)	\$(1,730)	\$(1,701)	\$(1,644)	\$(1,483)	\$(1,568)	\$(1,685)	\$(1,777)
Diff %	-	-2%	-6%	-8%	-12%	-19%	-18%	-21%	-22%	-22%	-23%	-23%	-22%	-20%	-21%	-23%	-24%

2011 + Inflation    Actual    Diff per pupil    Diff %



# Long-Term Budget Planning

65

## Historical Perspective: State Fund Budget \$ Per Pupil

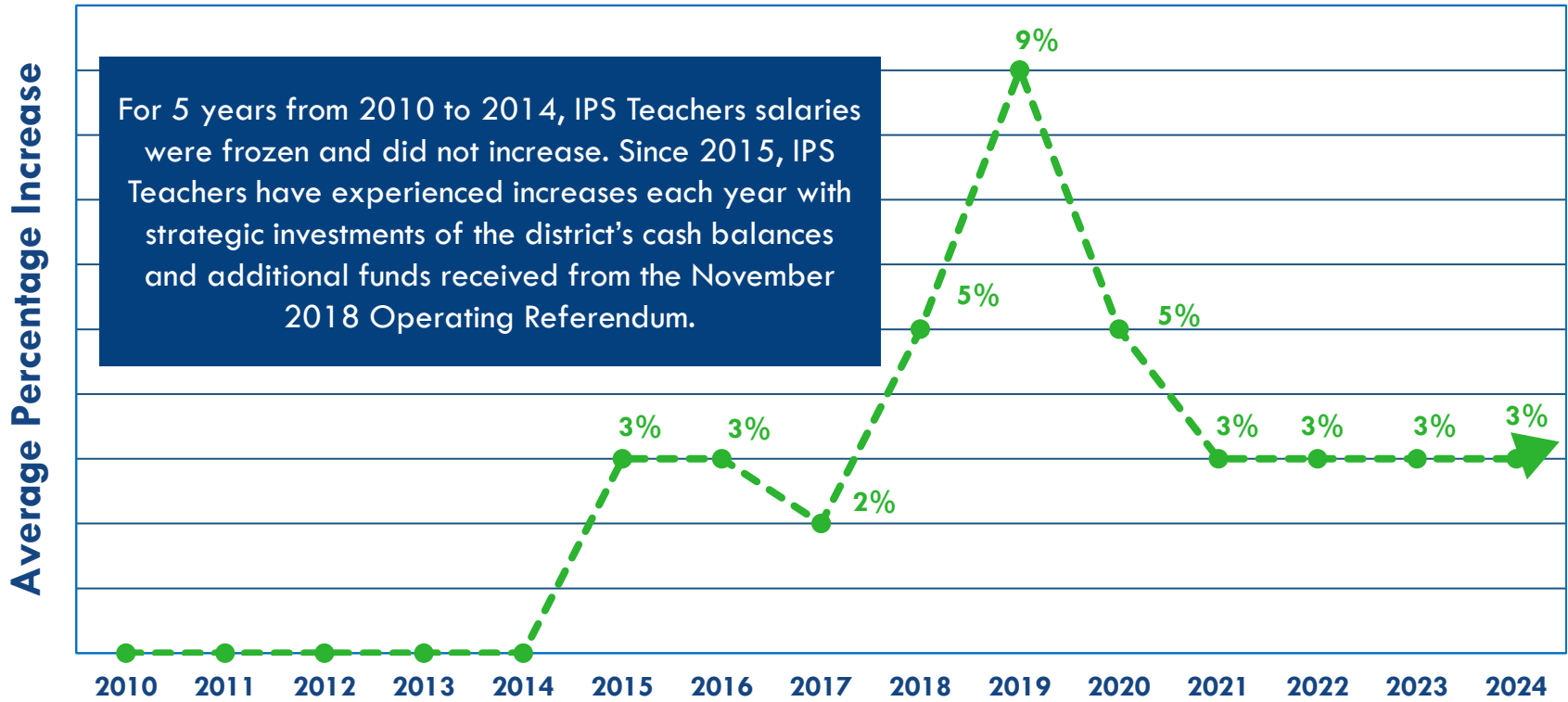
**IPS state per pupil funding has accumulated an inflation adjusted annualized loss of \$40 million since SY 2010-11. Reductions in services, lagging competitive wages until recently, and reliance on local taxpayers have been the unfortunate reality in which IPS has persisted and sustained educational services for students the past decade.**

SY ending...	2011 + Inflation	Actual	Diff per pupil	Diff %	ADM	Total State Support 2011 + Inflation	Total State Support Actual	Diff per year	Diff Cumulative	Diff Annualized
2011	\$ 7,367	\$ 7,367	\$ -	-	33,408	\$ 246,116,736	\$ 246,116,736	\$ -		
2012	\$ 7,514	\$ 7,332	\$ (182)	-2%	32,595	\$ 244,929,912	\$ 238,986,540	\$ (5,943,372)	\$ (5,943,372)	\$ (5,943,372)
2013	\$ 7,665	\$ 7,209	\$ (456)	-6%	32,543	\$ 249,429,950	\$ 234,602,487	\$ (14,827,463)	\$ (20,770,835)	\$ (10,385,418)
2014	\$ 7,818	\$ 7,265	\$ (553)	-8%	32,470	\$ 253,847,841	\$ 235,894,550	\$ (17,953,291)	\$ (38,724,126)	\$ (12,908,042)
2015	\$ 7,974	\$ 7,058	\$ (916)	-12%	31,473	\$ 250,974,443	\$ 222,136,434	\$ (28,838,009)	\$ (67,562,135)	\$ (16,890,534)
2016	\$ 8,134	\$ 6,732	\$ (1,402)	-19%	30,979	\$ 251,975,853	\$ 208,550,628	\$ (43,425,225)	\$ (110,987,359)	\$ (22,197,472)
2017	\$ 8,296	\$ 6,971	\$ (1,325)	-18%	30,921	\$ 256,534,176	\$ 215,550,291	\$ (40,983,885)	\$ (151,971,245)	\$ (25,328,541)
2018	\$ 8,462	\$ 6,934	\$ (1,528)	-21%	31,917	\$ 270,093,378	\$ 221,312,478	\$ (48,780,900)	\$ (200,752,144)	\$ (28,678,878)
2019	\$ 8,632	\$ 7,019	\$ (1,613)	-22%	31,511	\$ 271,990,810	\$ 221,175,709	\$ (50,815,101)	\$ (251,567,245)	\$ (31,445,906)
2020	\$ 8,804	\$ 7,176	\$ (1,628)	-22%	32,237	\$ 283,822,509	\$ 231,332,712	\$ (52,489,797)	\$ (304,057,042)	\$ (33,784,116)
2021	\$ 8,980	\$ 7,250	\$ (1,730)	-23%	31,167	\$ 279,890,004	\$ 225,960,750	\$ (53,929,254)	\$ (357,986,296)	\$ (35,798,630)
2022	\$ 9,160	\$ 7,459	\$ (1,701)	-23%	31,387	\$ 287,502,991	\$ 234,115,633	\$ (53,387,358)	\$ (411,373,653)	\$ (37,397,605)
2023	\$ 9,343	\$ 7,699	\$ (1,644)	-22%	31,332	\$ 292,739,178	\$ 241,225,068	\$ (51,514,110)	\$ (462,887,763)	\$ (38,573,980)
2024	\$ 9,530	\$ 8,047	\$ (1,483)	-20%	31,413	\$ 299,365,891	\$ 252,780,411	\$ (46,585,480)	\$ (509,473,244)	\$ (39,190,250)
2025	\$ 9,721	\$ 8,153	\$ (1,568)	-21%	31,295	\$ 304,206,178	\$ 255,148,135	\$ (49,058,043)	\$ (558,531,287)	\$ (39,895,092)
2026	\$ 9,915	\$ 8,230	\$ (1,685)	-23%	31,295	\$ 310,290,302	\$ 257,563,796	\$ (52,726,506)	\$ (611,257,793)	\$ (40,750,520)
2027	\$ 10,113	\$ 8,336	\$ (1,777)	-24%	31,295	\$ 316,496,108	\$ 260,881,066	\$ (55,615,042)	\$ (666,872,835)	\$ (41,679,552)

**IPS students deserve better treatment from Indiana's School Funding Formulas.**

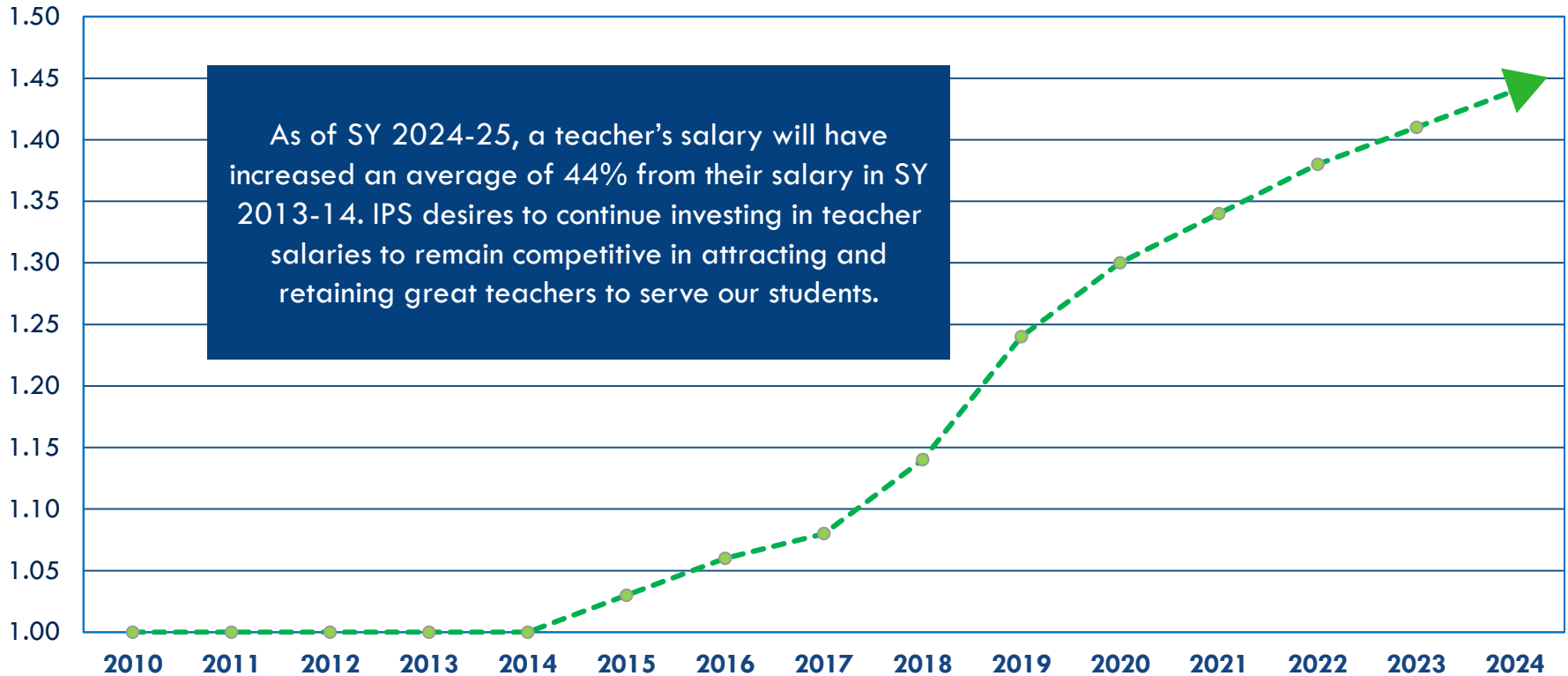
**If the state will not prioritize IPS students, then local property tax funding and charity remains a potential source to ensure adequate funding for basic and necessary supports for students.**

### Teacher Compensation



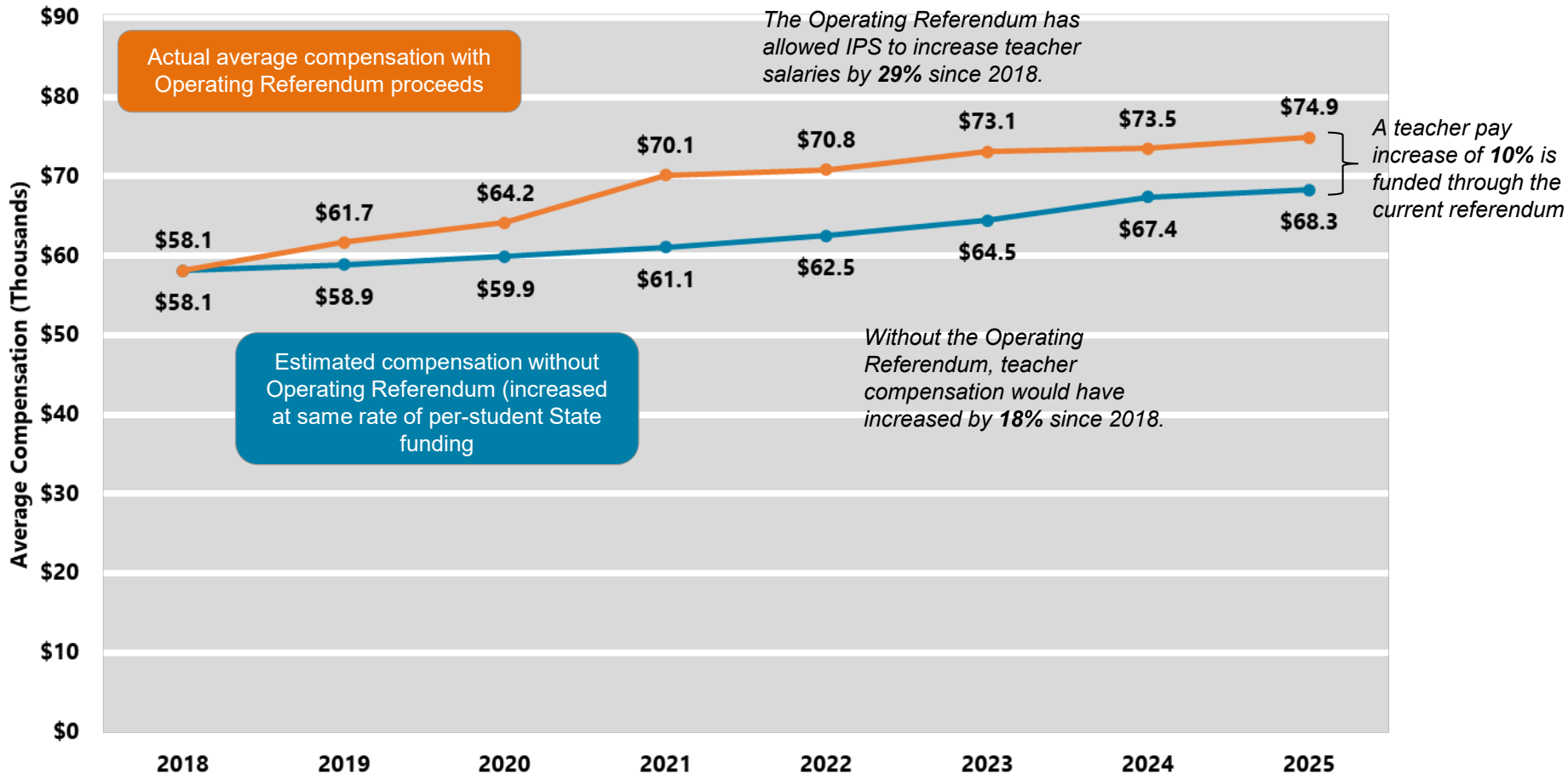
### Year of Collective Bargaining Agreement

### Teacher Compensation – Indexed Growth

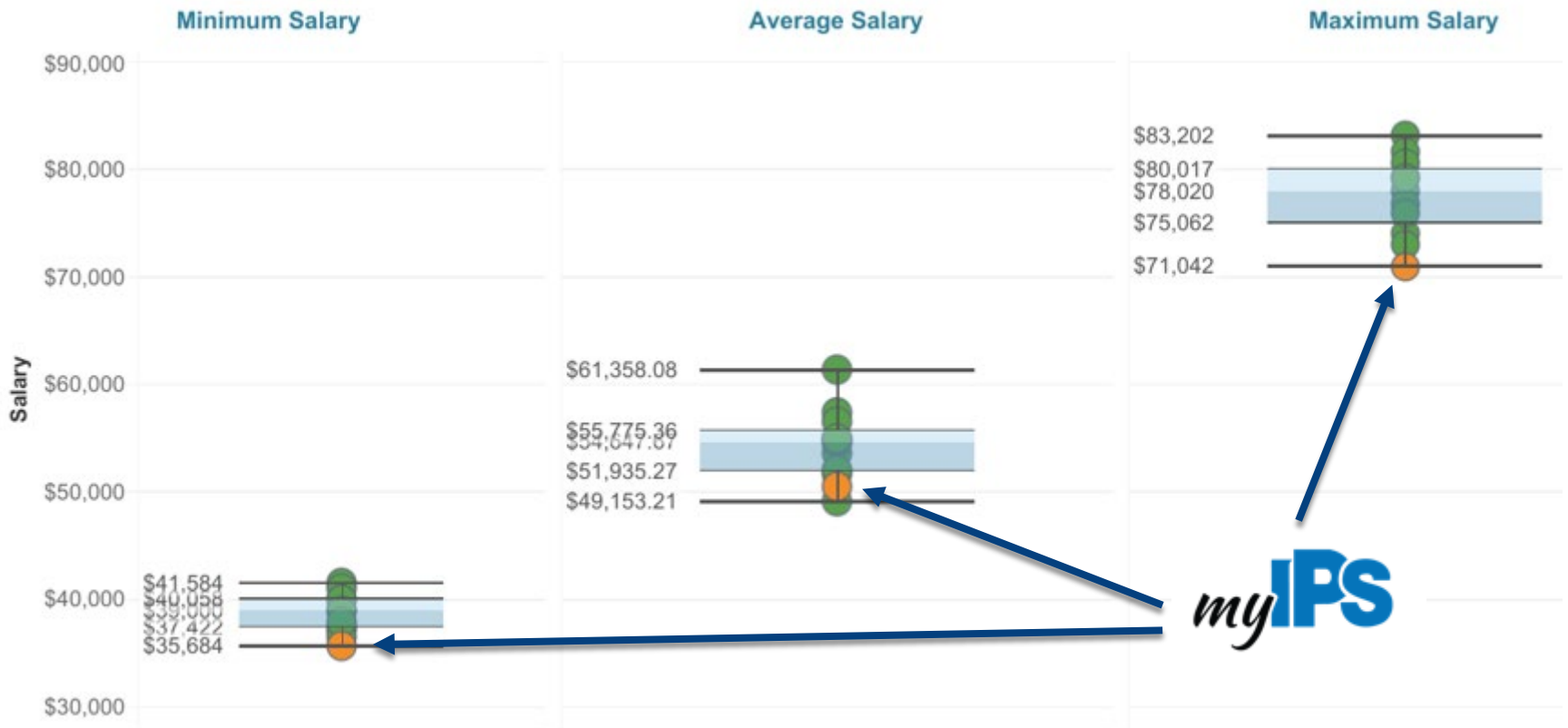


Year of Collective Bargaining

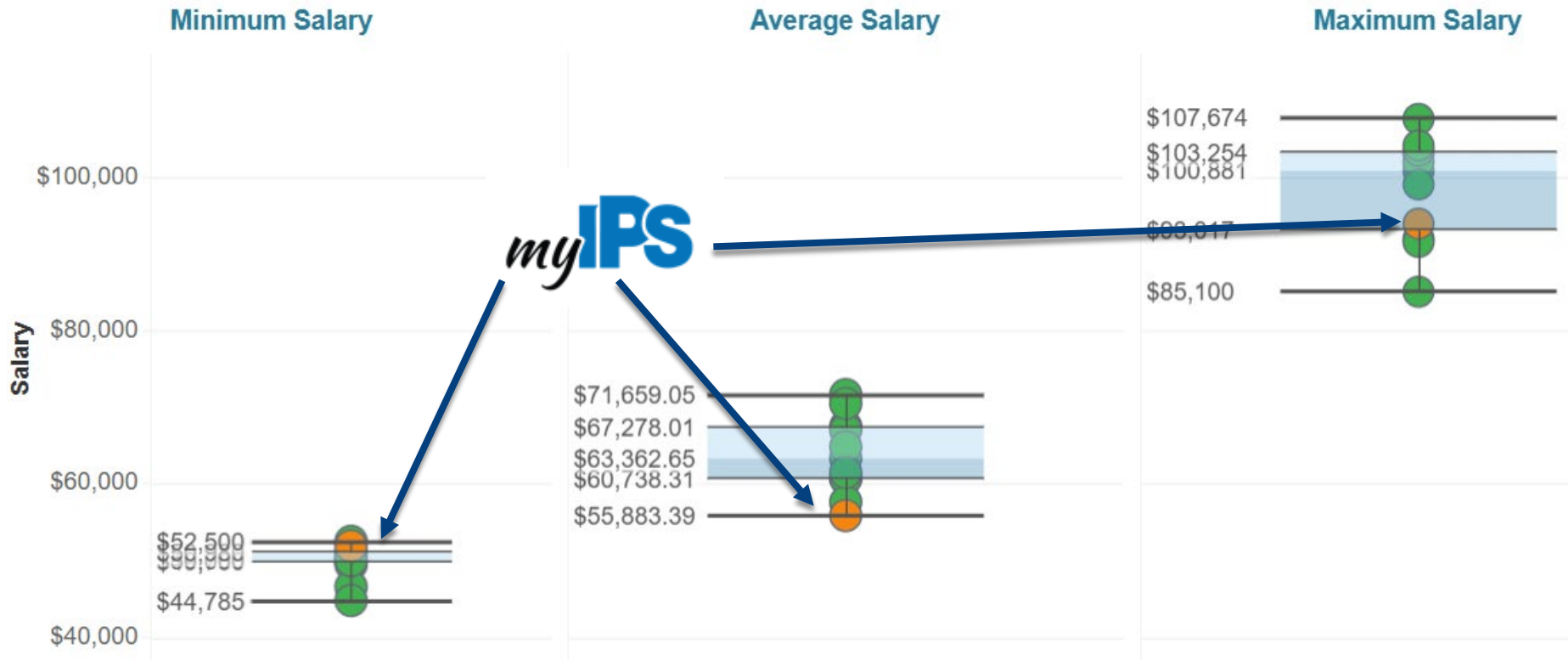
### Average Compensation for IPS Teachers



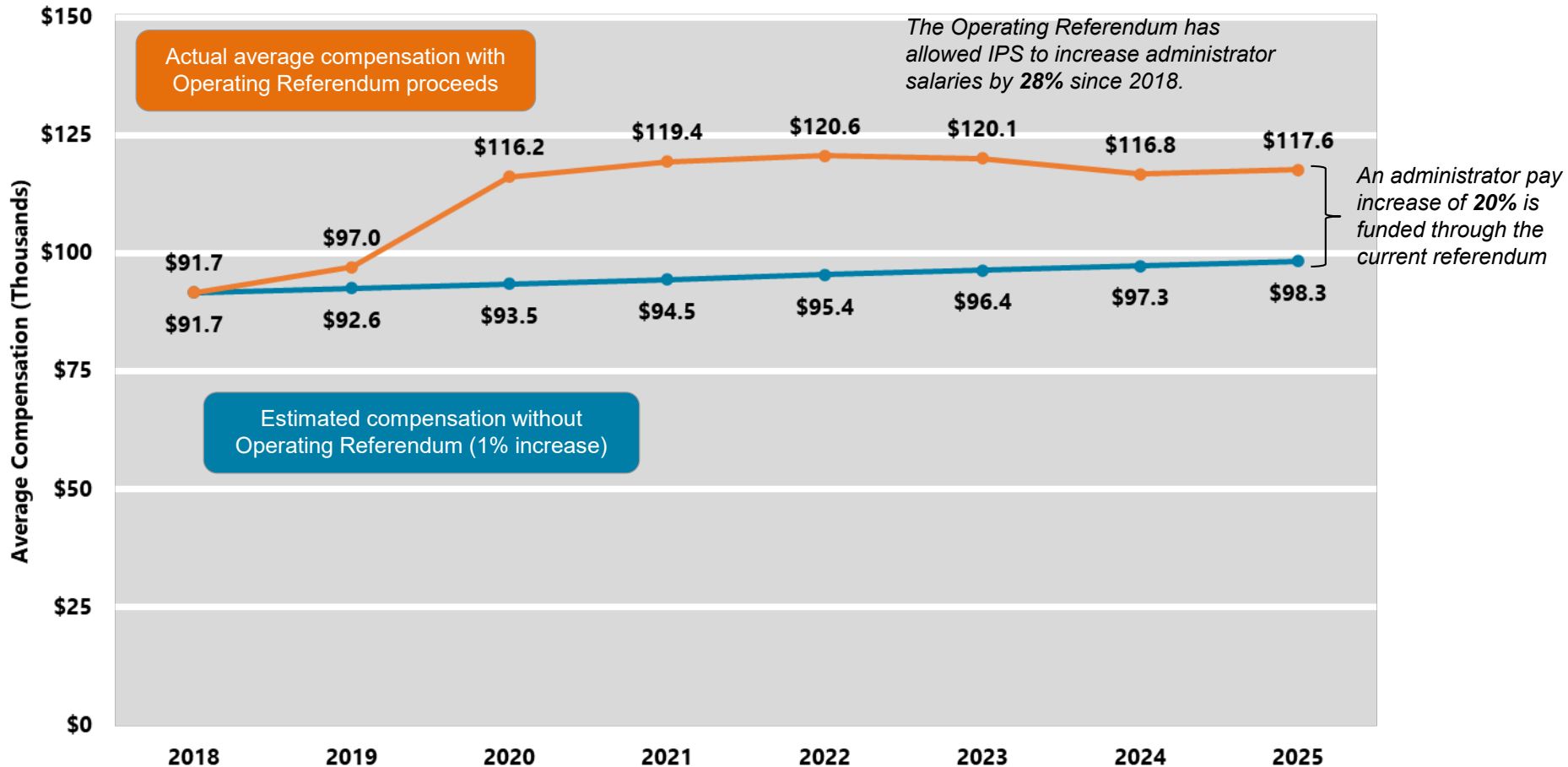
In 2015, IPS was lagging nearly all other Marion County School Districts at all levels on the pay scale - Minimum (Starting) Salary, Average Salary, and Maximum Salary



In 2024, IPS is now in the “lead pack” among Marion County School Districts when it comes to Minimum (Starting) Salary and continues to lag other districts in Average and Maximum Salary



### Average Compensation for IPS Certified Administrators



## Ways IPS administration has reduced expenses without altering academic programs & service quality:

- 1** Property disposition has generated revenue in excess of \$25M
- 2** Sold former Coca-Cola Bottling Plant for mixed-use redevelopment (Mass Ave.) to realize \$12M in one-time revenue. Bus fleet maintenance is now outsourced.
- 3** Rightsizing the IPS central office to reduce expenditures by \$5.3M annually
- 4** Sold P.R. Mallory/Ford building for redevelopment (Washington St.) to realize \$1.65M in one-time revenue. District warehousing is now outsourced.
- 4** Refinanced the district's debt portfolio, taking advantage of favorable interest rates to lower debt service, by approximately \$1.5M annually.

## Ways IPS administration has reduced expenses without altering academic programs & service quality:



We have made decisions to stabilize.

## Transportation Initiatives

- \$100M cumulative savings since 2017
  - Fuel-efficient bus fleet
  - Routing optimization
  - Walk zones & opt-out
  - IndyGo partnership

## Facilities/Energy Management

- In a period of rising utility rates, no cumulative increase since 2017 due to utilities monitoring
- \$25M in cumulative savings since 2017 in custodial staffing costs

## System Modernization

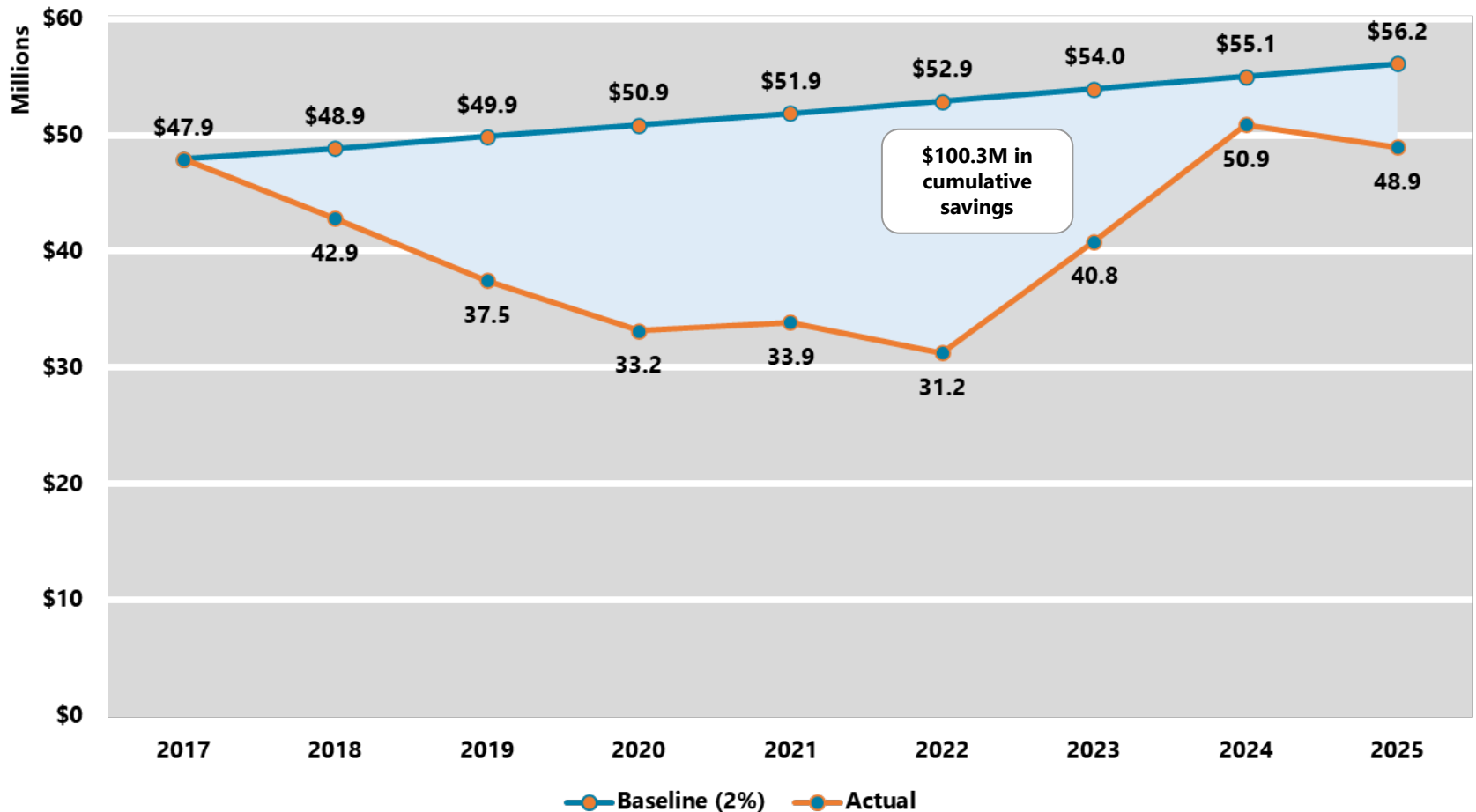
- Increasing automated systems
- Cultivating a service mindset

## Health Insurance & Wellness

- Controlled costs while increasing access to quality providers

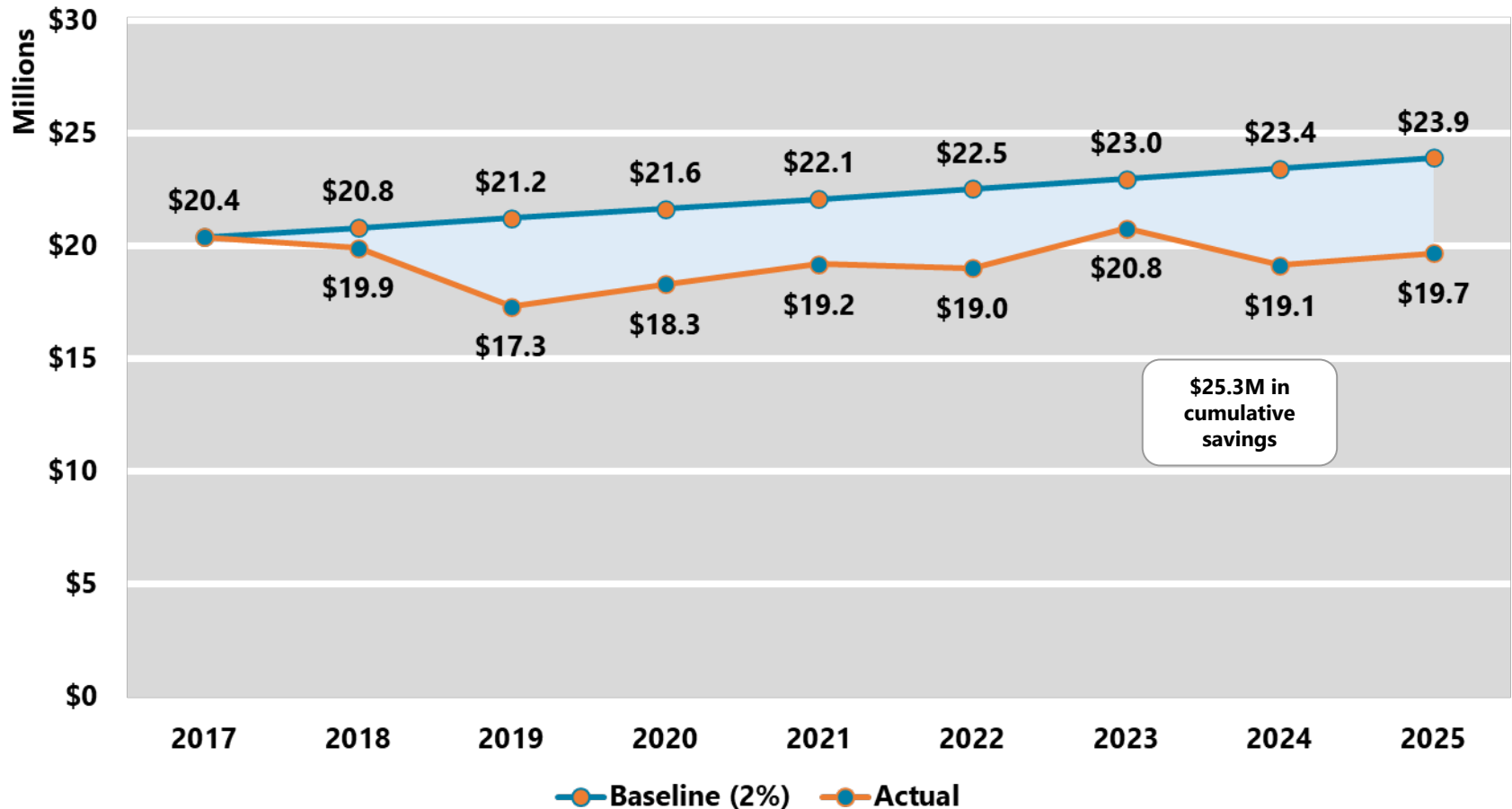
### Transportation Efficiency Savings

Compared to Pre-Referendum Projection



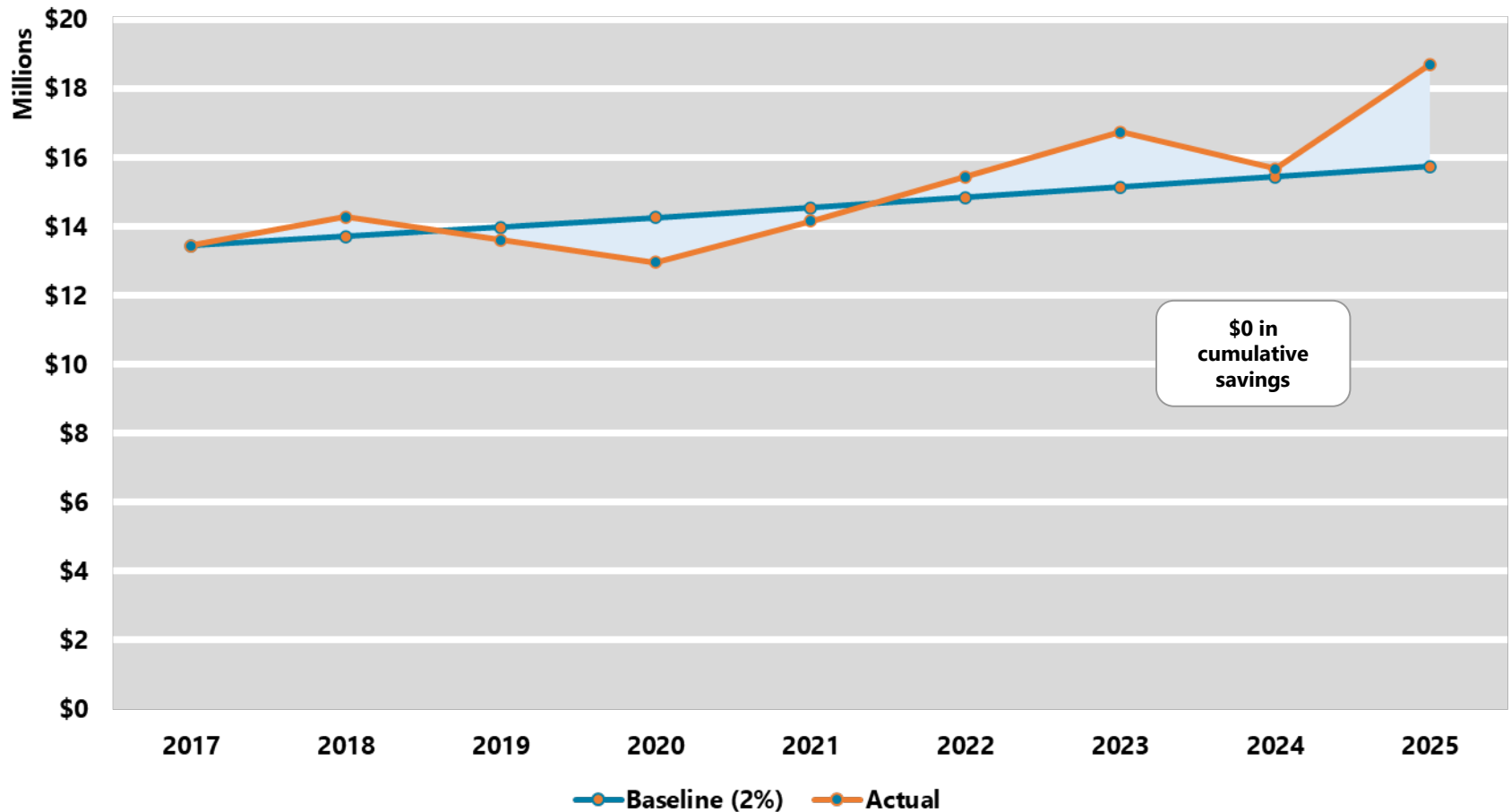
### Custodial Efficiency Savings

Compared to Pre-Referendum Projection



### Utilities Efficiency Savings

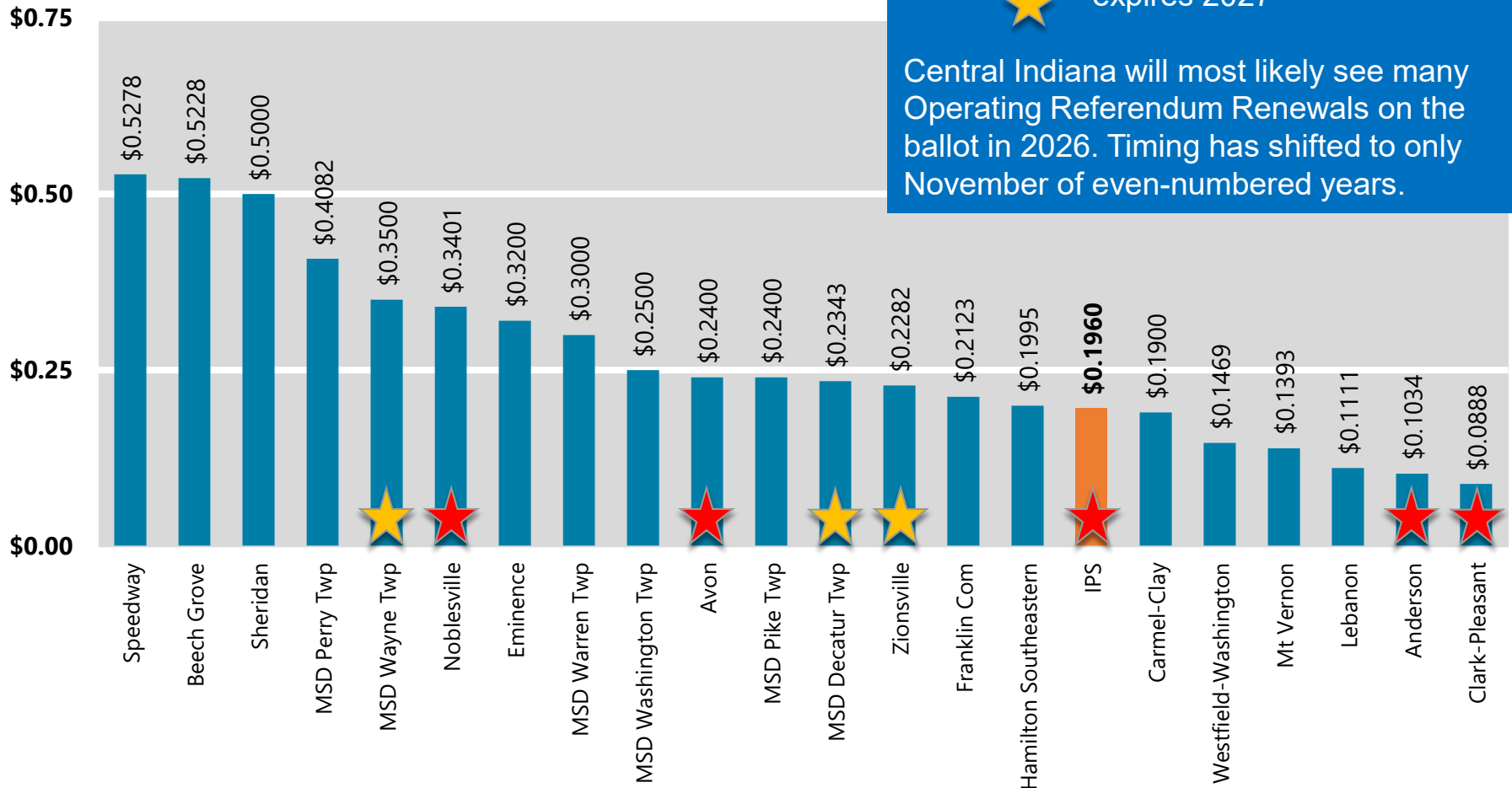
Compared to Pre-Referendum Projection





## Operating Referendum – Comparison with Central Indiana?

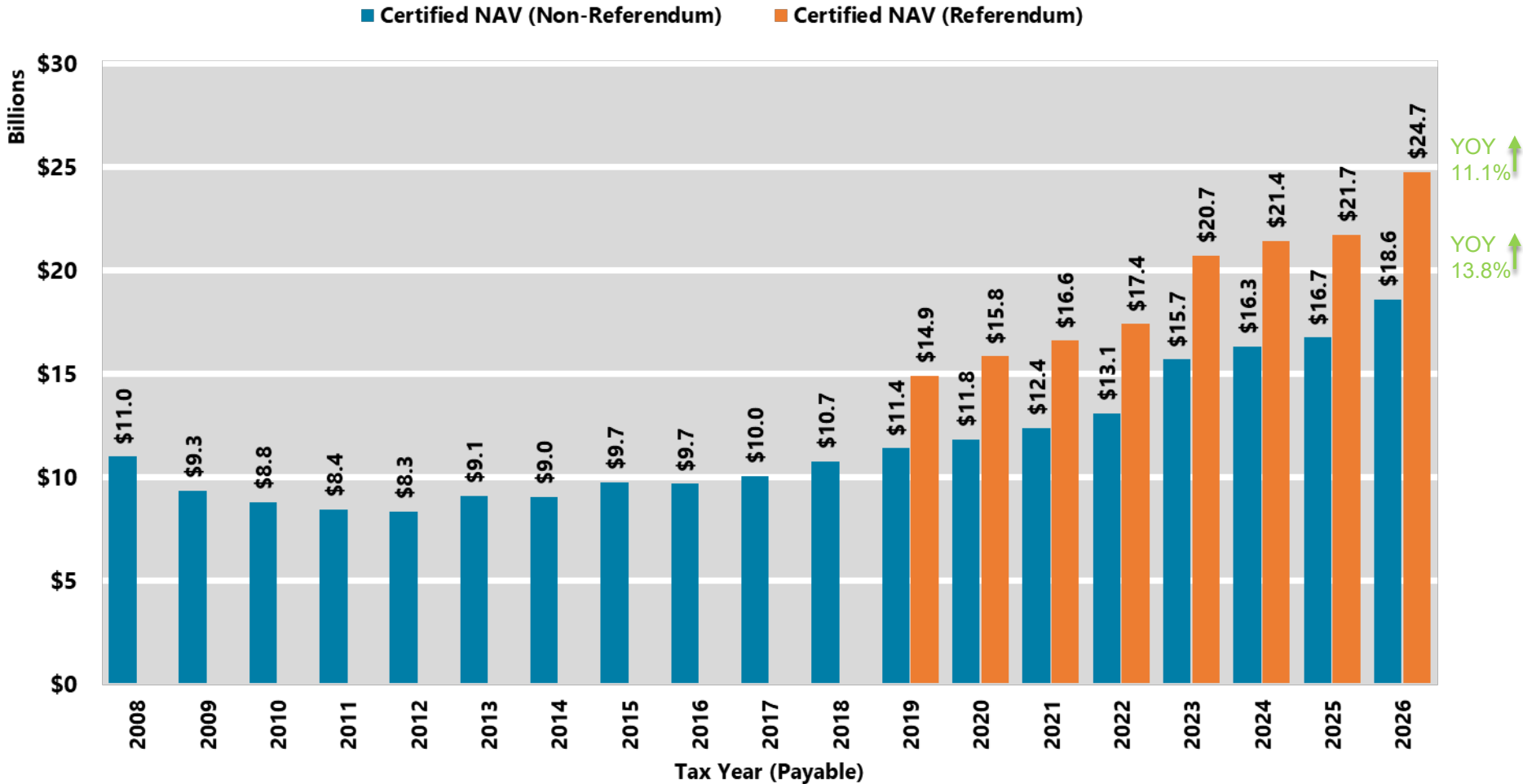
Central Indiana School Operating Referendum Tax Rates



★ = expires 2026  
★ = expires 2027

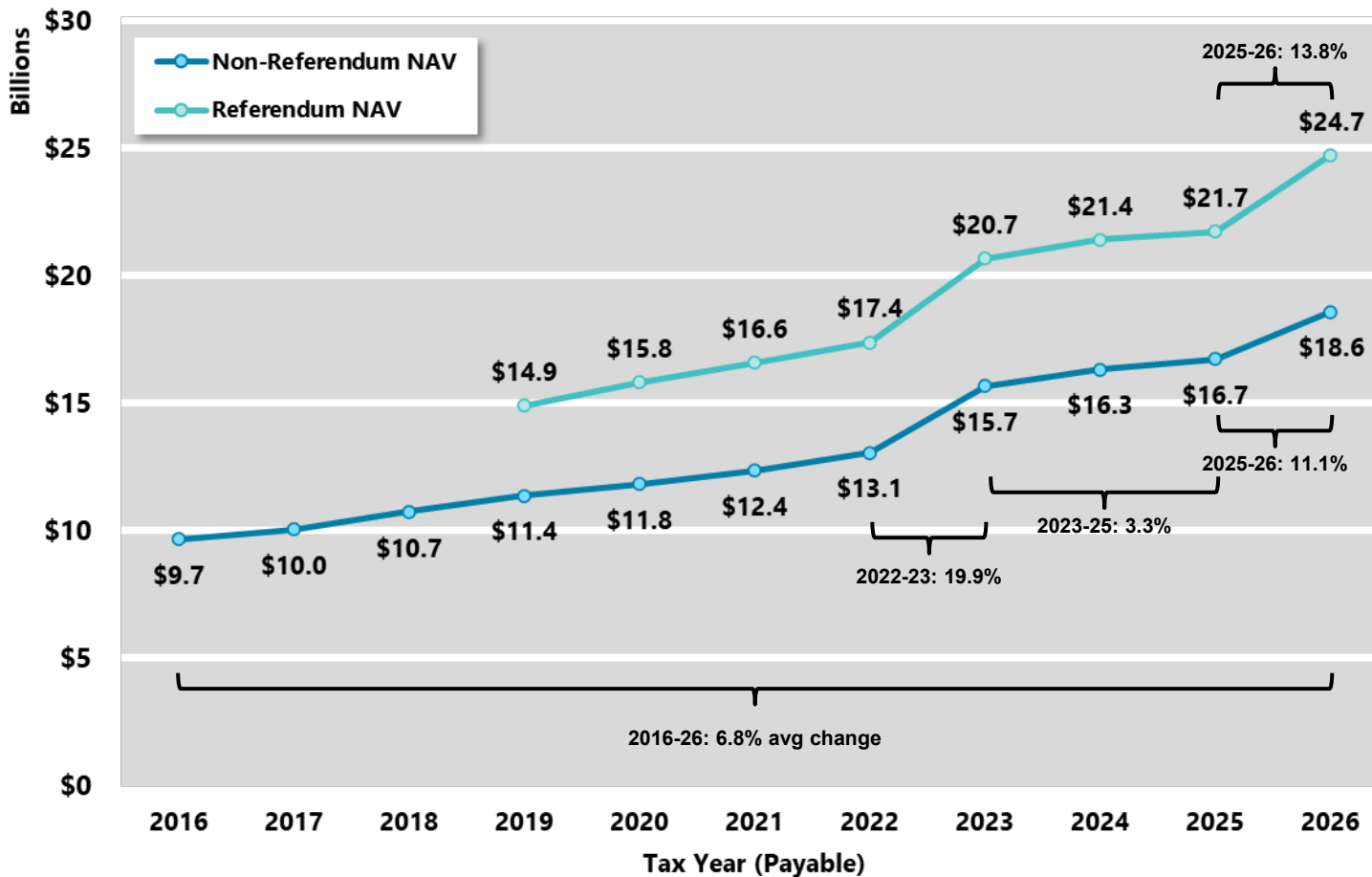
Central Indiana will most likely see many Operating Referendum Renewals on the ballot in 2026. Timing has shifted to only November of even-numbered years.

## Historical Perspective: Certified Assessed Value (\$)



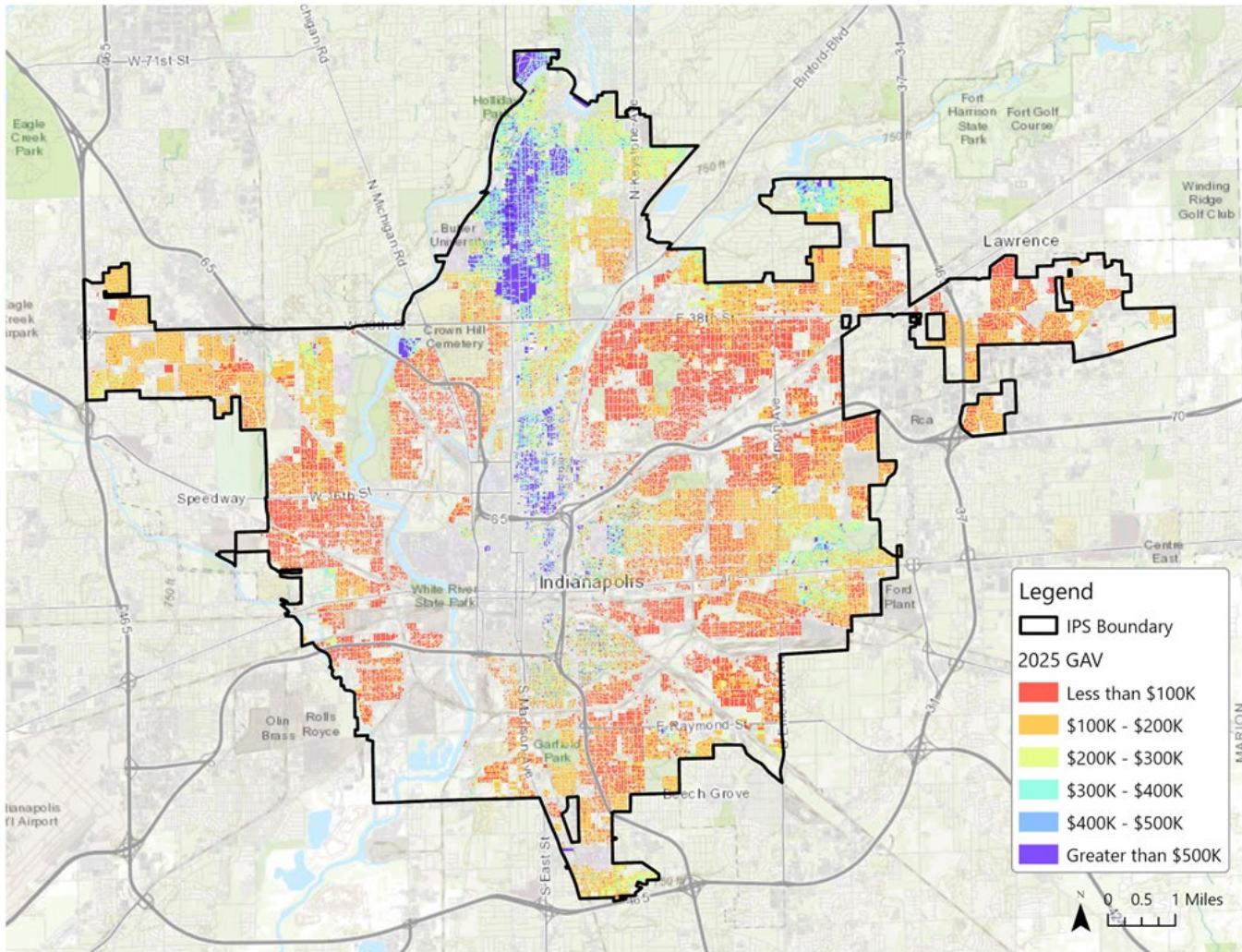
## IPS Certified Net Assessed Value Growth by Tax Year

IPS Certified Net Assessed Value Timeseries



- Marion County Net Assessed values were certified by the Auditor in August 2025.
- The Certified Net Assessed Value forms the basis of the property tax rate calculations for the 2026 calendar year.
- Referendum funds (post 2009) include assessed value from TIF (tax increment financing) districts.

## Property Tax Considerations in IPS Boundary

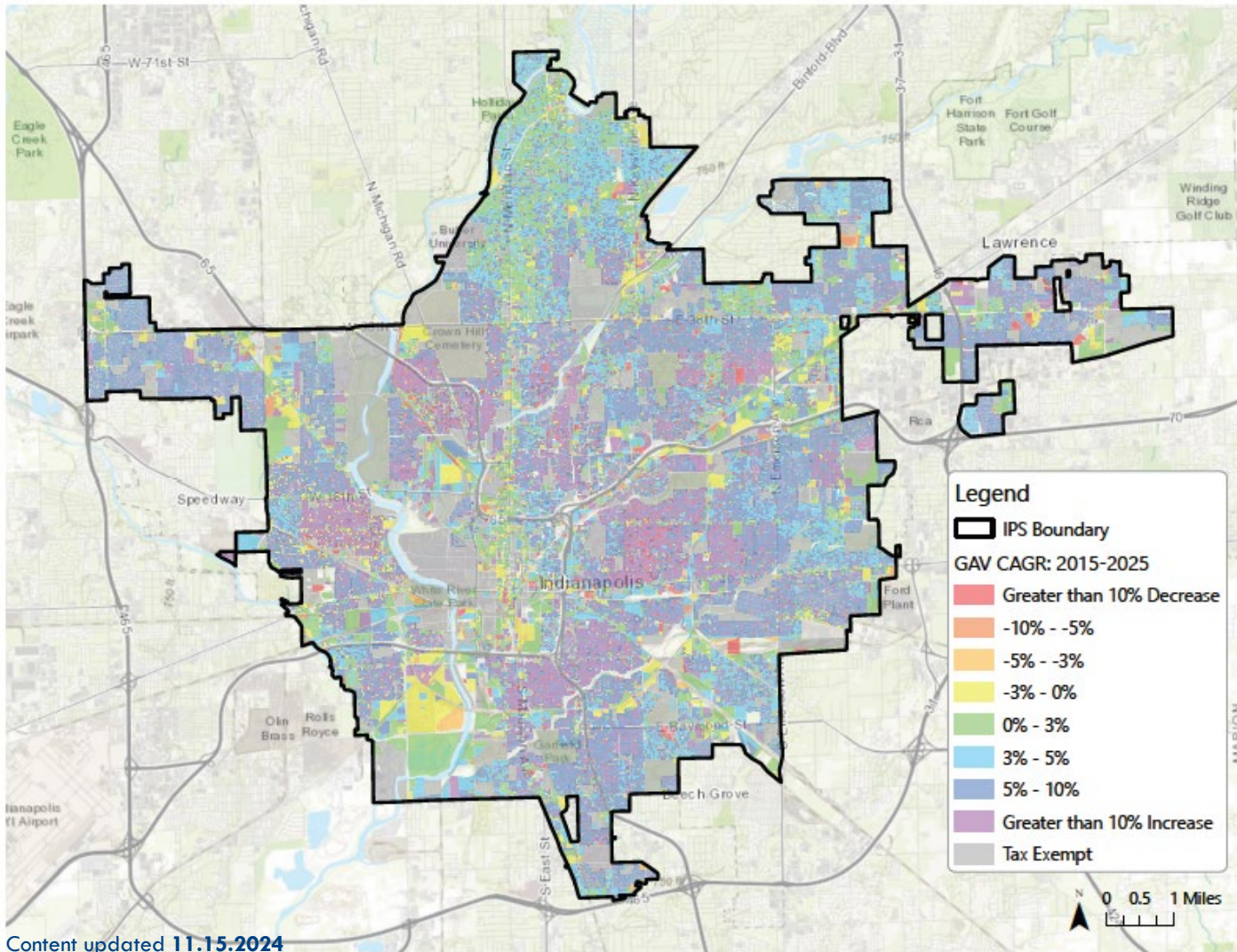


### Range of Residential Gross Assessed Valuations for 2025 in IPS Boundary

Homestead properties valued greater than \$165,000 are at the 1% circuit breaker cap.

Approximately 54% of properties within IPS are at the circuit breaker cap. Those not at the cap include non-residential properties, and homesteads valued less than \$165K.

## Property Tax Considerations in IPS Boundary

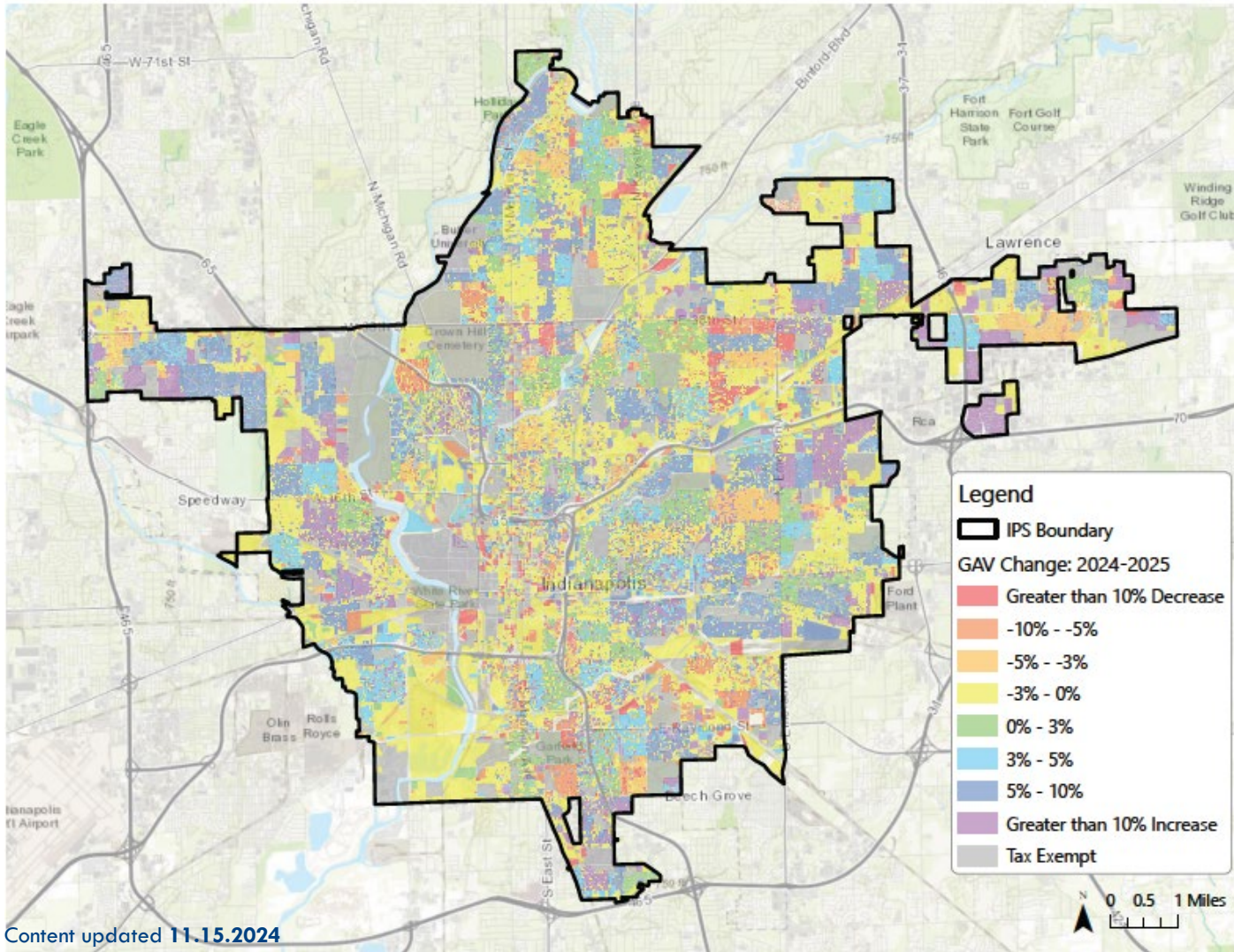


### IPS Gross Assessed Value change from 2015 to 2025 in IPS Boundary

Over the past decade, most Real Estate Values in the IPS Boundary have increased.

The growth in real estate values is due to many social, economic, and public policy factors.

## Property Tax Considerations in IPS Boundary

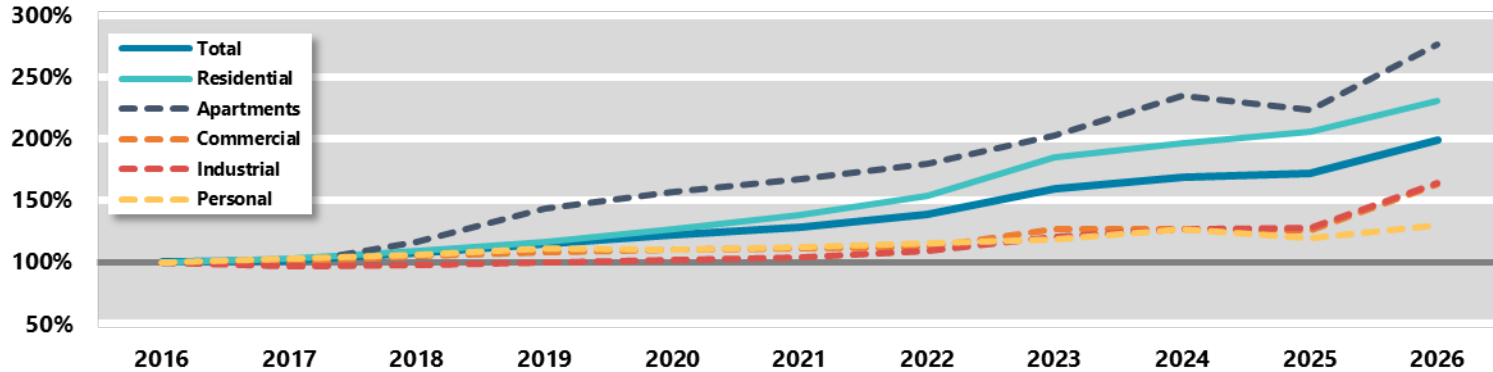


**IPS Gross Assessed Value (all property types) change from 2024 to 2025 in IPS Boundary**

Over the past decade, most Real Estate Values in the IPS Boundary have increased.

The growth in real estate values is due to many social, economic, and public policy factors.

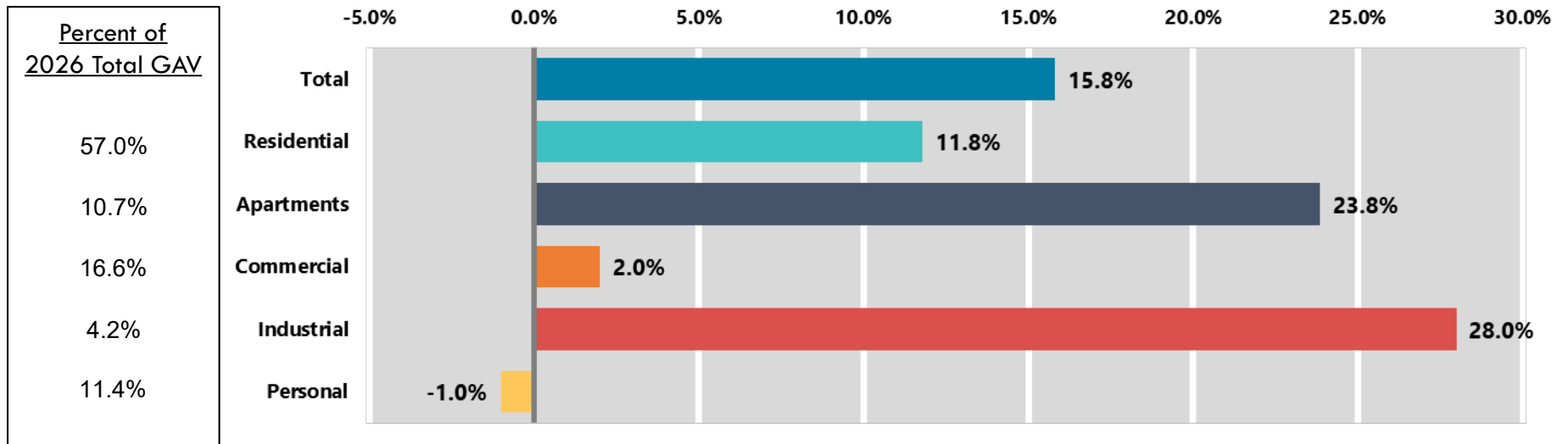
## IPS Gross Assessed Value History by Property Class (Indexed to 2016)



IPS's tax base is comprised primarily of residential property which increased by an average of 8.7% between 2016 and 2026. In total, IPS's GAV has increased by 7.2% annually since 2016.

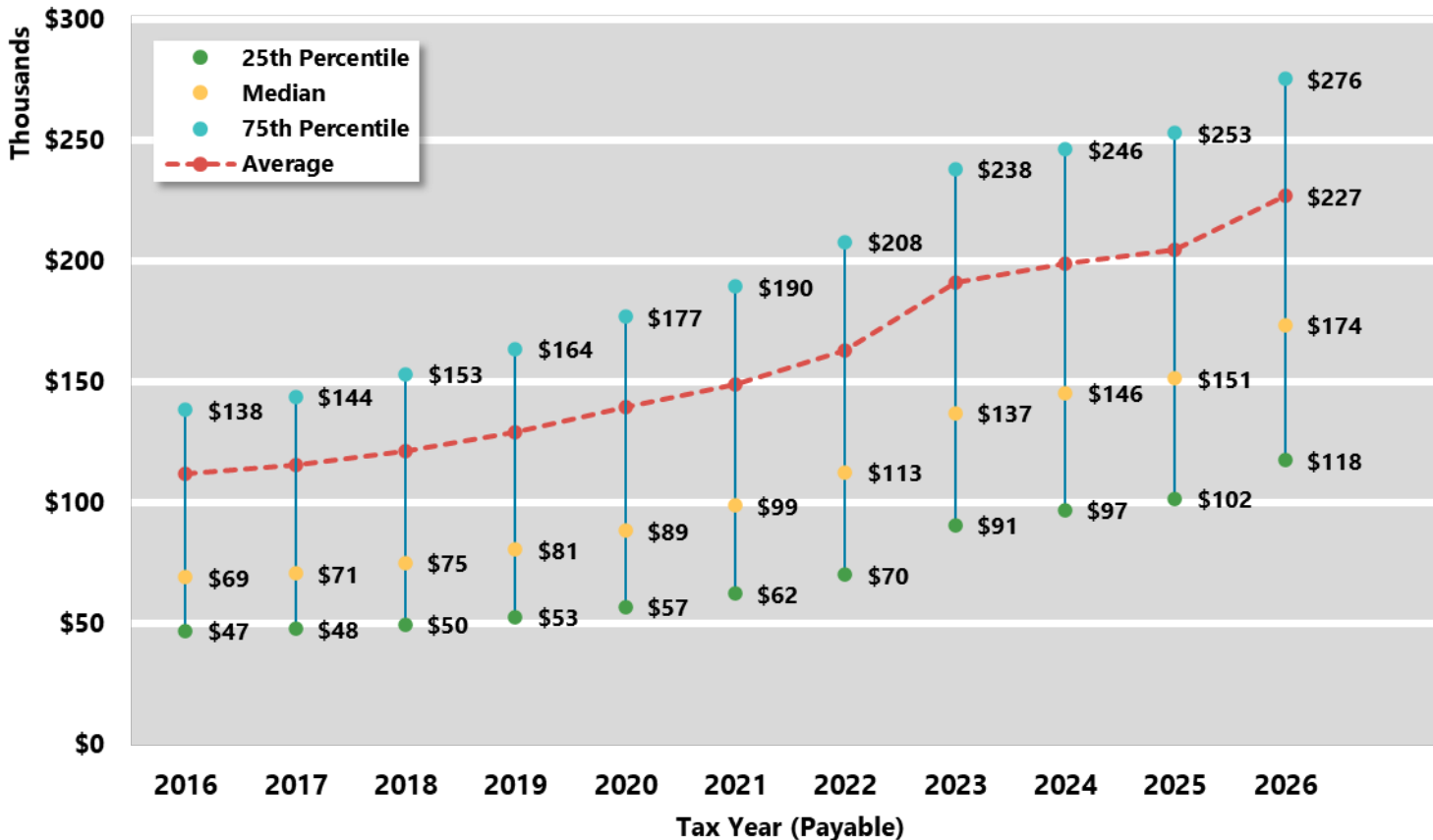
### Gross Assessed Value Change by Property Class

Pay 2025 to Pay 2026 Tax Year



## IPS Homestead Gross Assessed Value by Tax Year

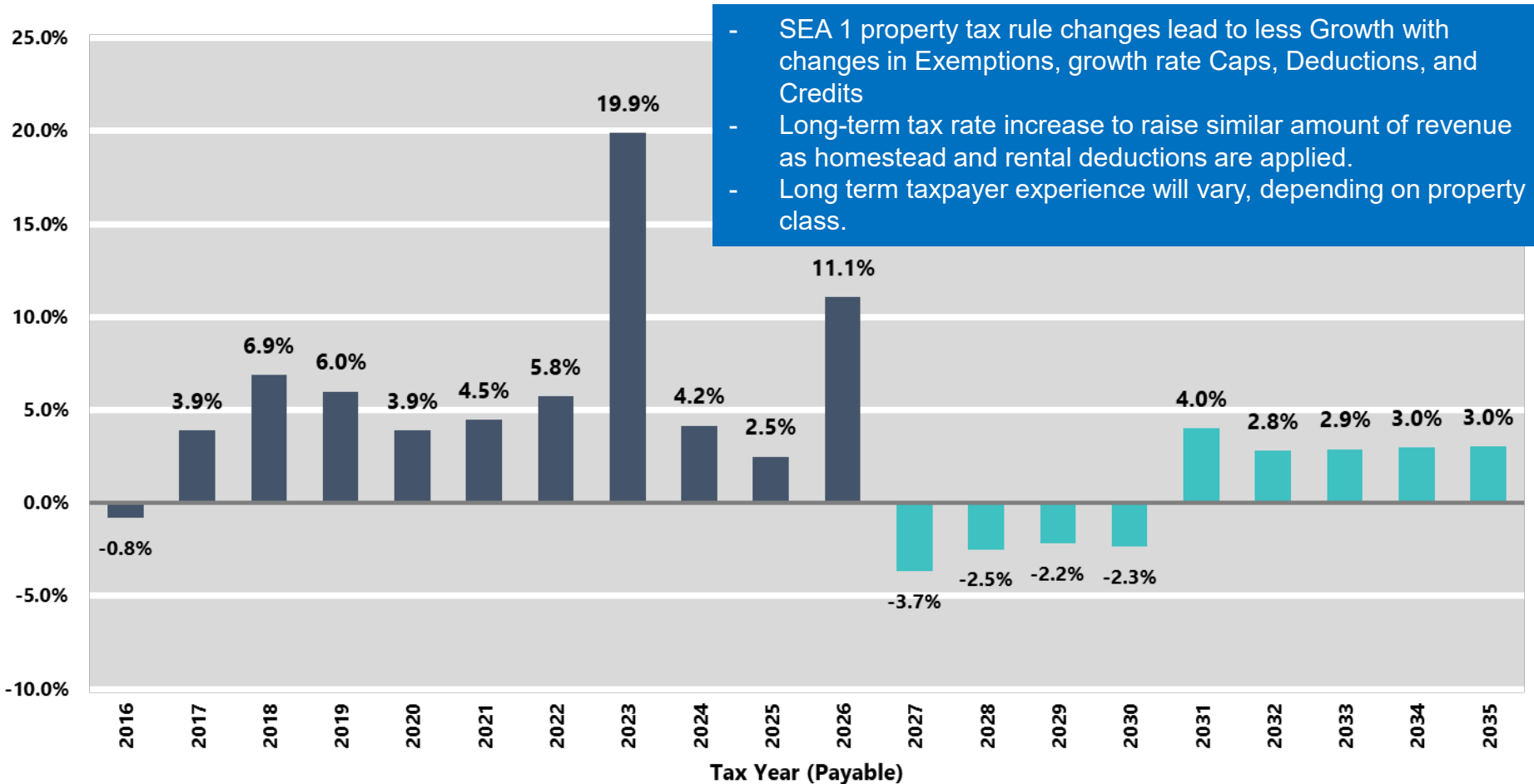
### Homestead Assessed Value within IPS Boundaries



- The median homestead (owner occupied) gross assessed value within IPS boundaries is \$173,700.
- The median homestead increased by 14.7% between the Pay 2025 and Pay 2026 tax years.
- Between the 2016 and 2026 tax years, the median home value increase by 9.7% annually.

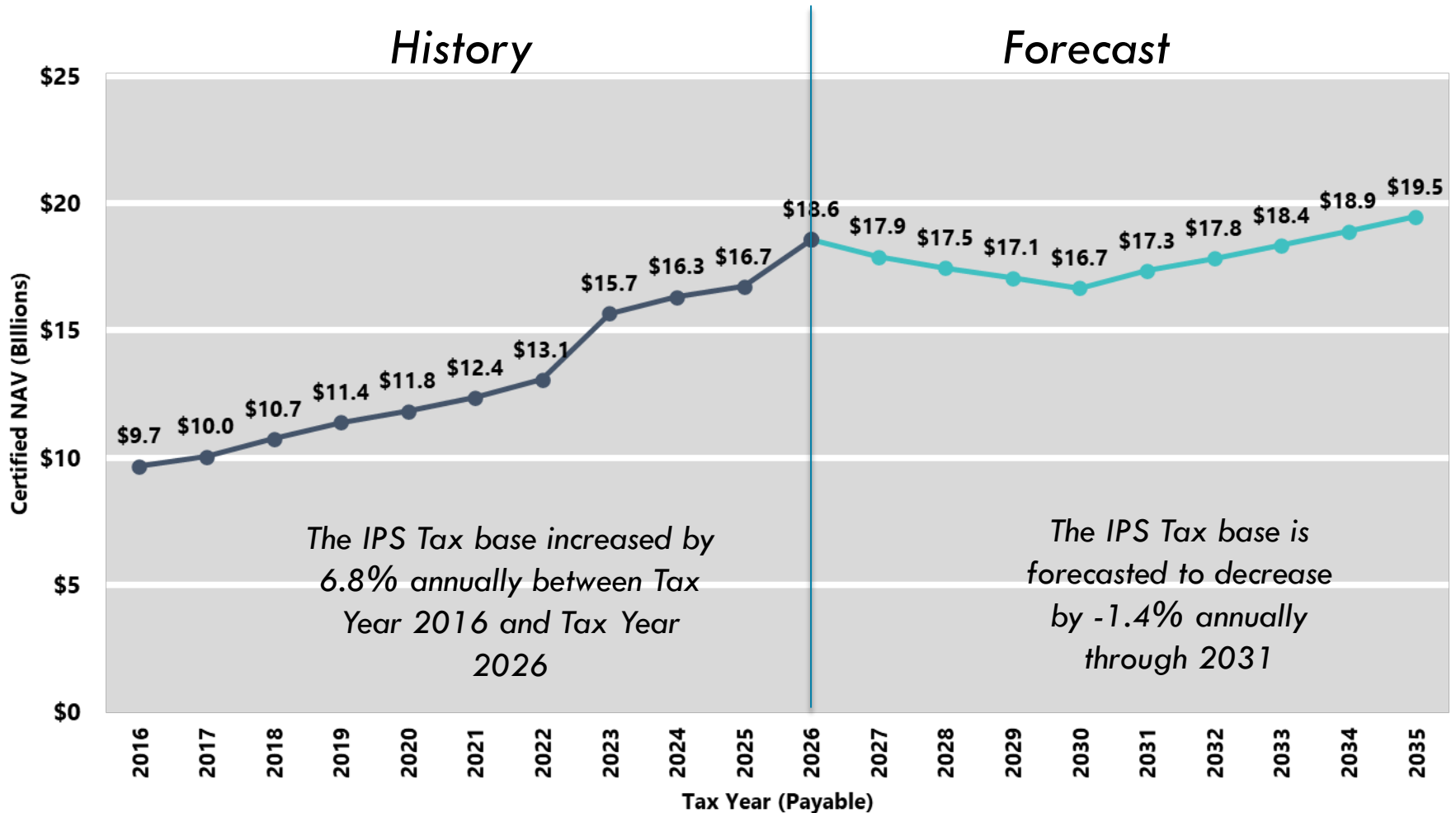
## Certified NAV Growth – Historical & Projected

### Annual Change in IPS Certified NAV (Historical and Projected)

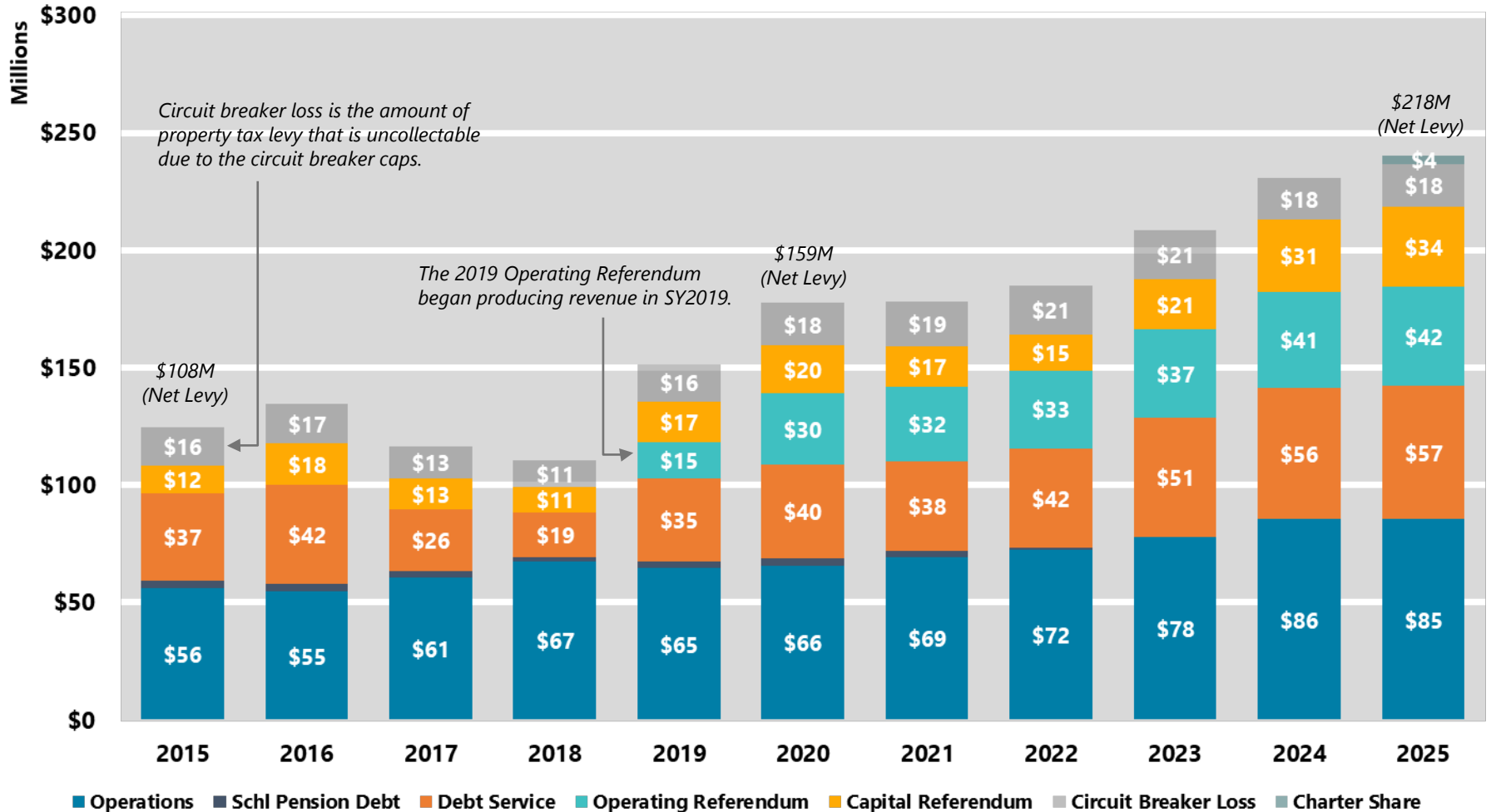


- SEA 1 property tax rule changes lead to less Growth with changes in Exemptions, growth rate Caps, Deductions, and Credits
- Long-term tax rate increase to raise similar amount of revenue as homestead and rental deductions are applied.
- Long term taxpayer experience will vary, depending on property class.

## IPS Certified Net Assessed Value Forecast (in billions)

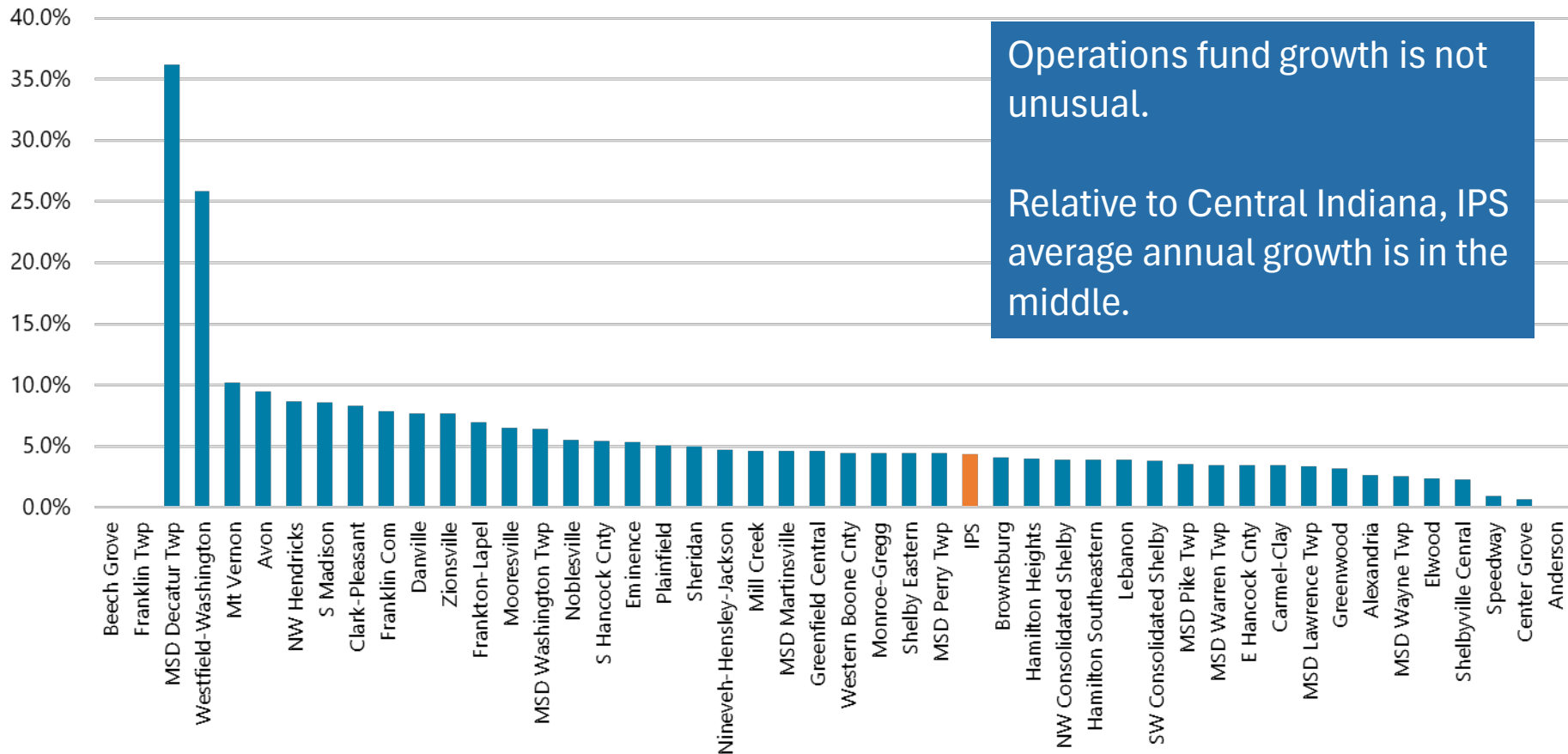


## IPS Property Tax Revenue by School Year



## Property Tax Growth – Operations Funds

Central Indiana School Districts: % Change Net Levy  
Operations Funds 2015 to 2025

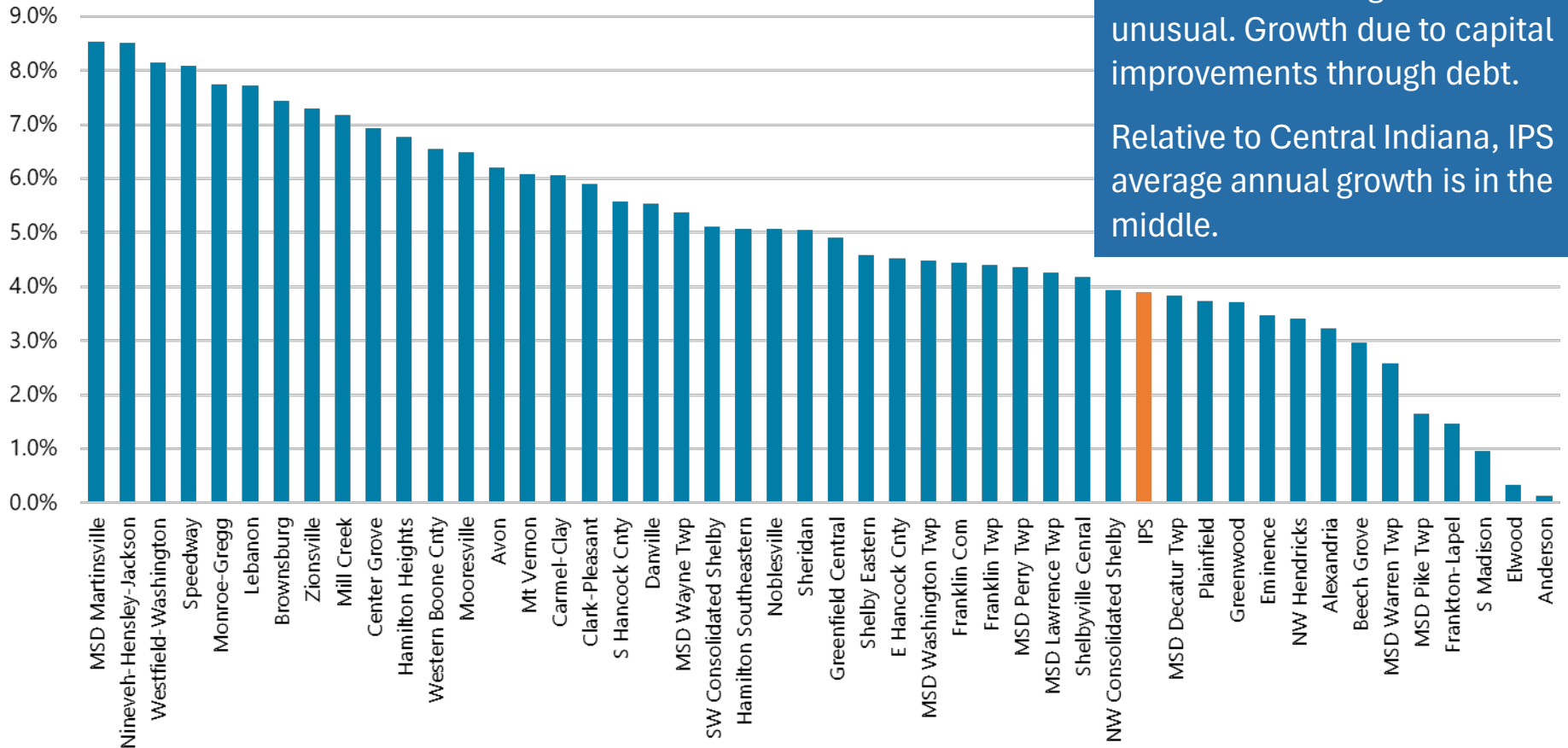


Operations fund growth is not unusual.

Relative to Central Indiana, IPS average annual growth is in the middle.

## Non-Referendum Property Tax Growth – Operations & Debt

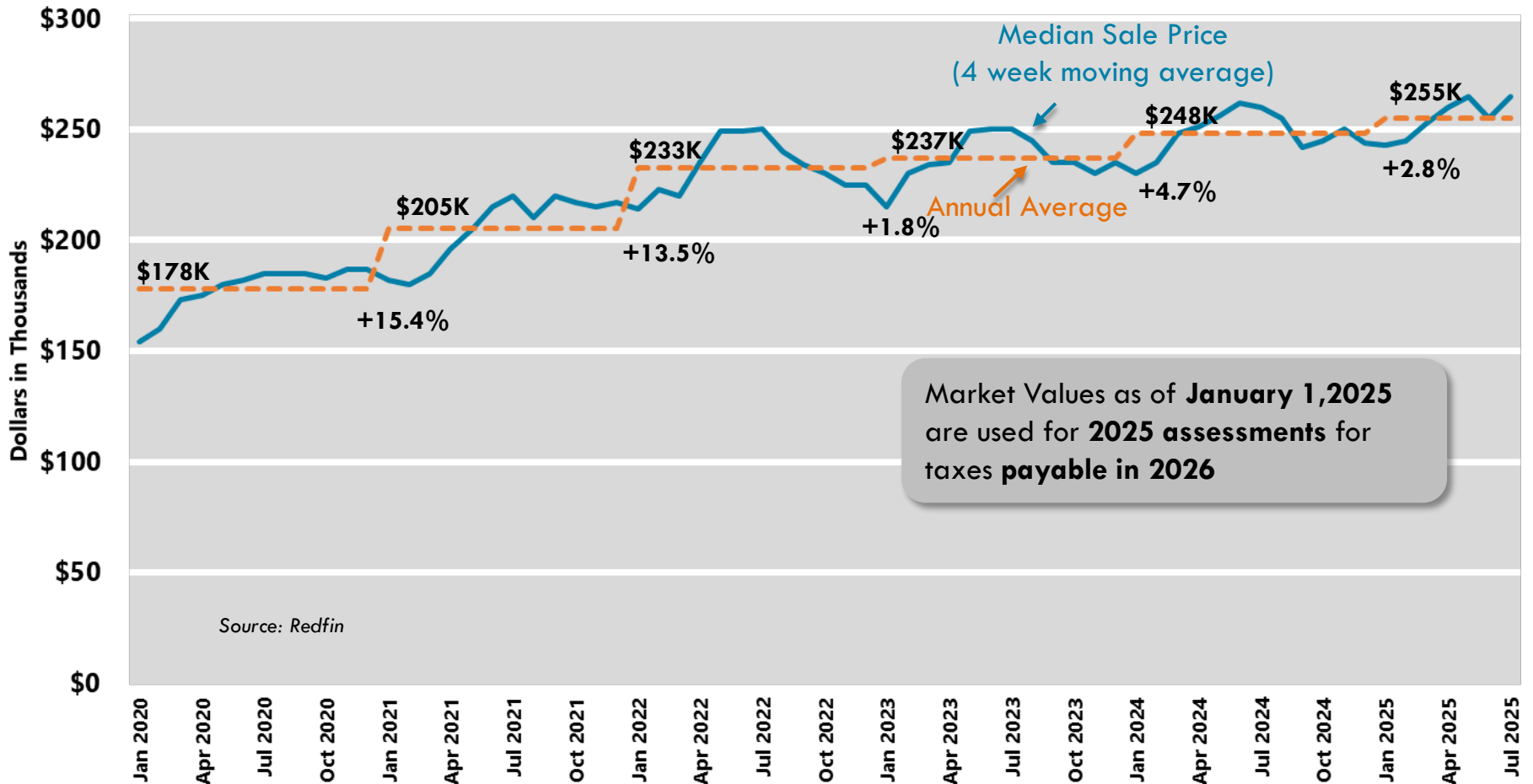
Central Indiana School Districts: % Change Net Levy  
Non-Referendum Funds 2015 to 2025



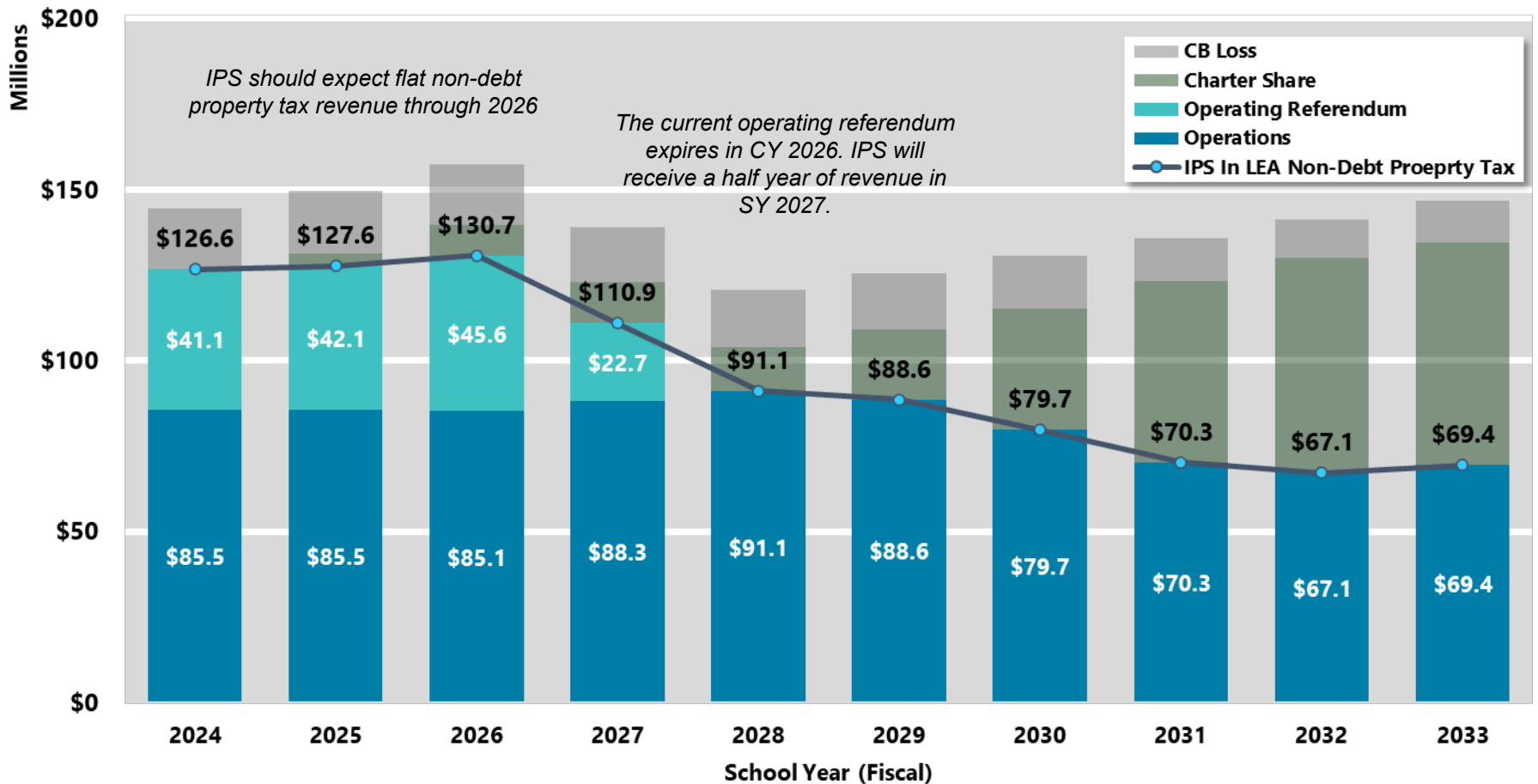
Non-Referendum growth is not unusual. Growth due to capital improvements through debt.

Relative to Central Indiana, IPS average annual growth is in the middle.

### Marion County Median Housing Sale Price

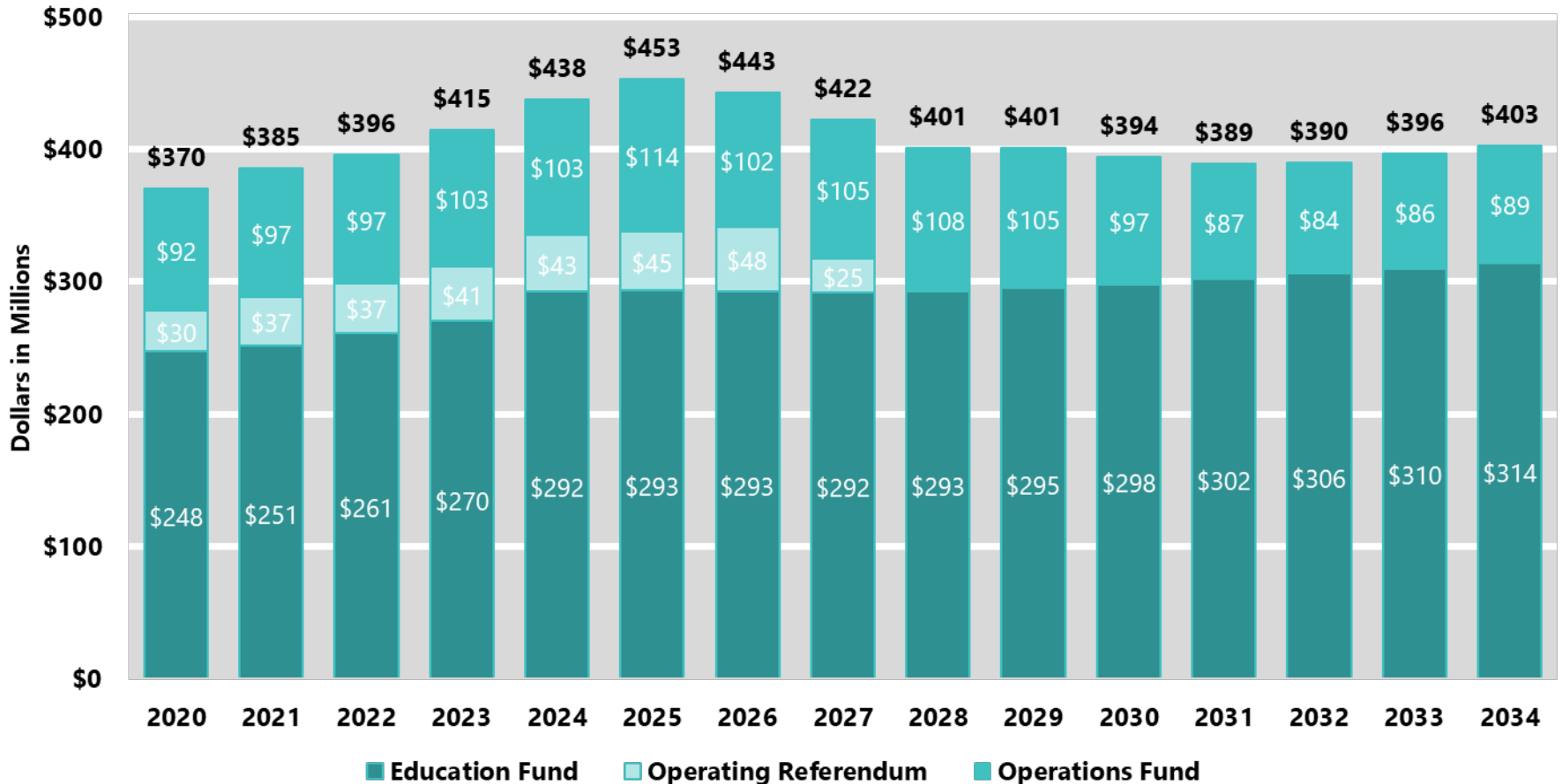


### IPS Property Tax Revenue Forecast (Non-Debt Funds)



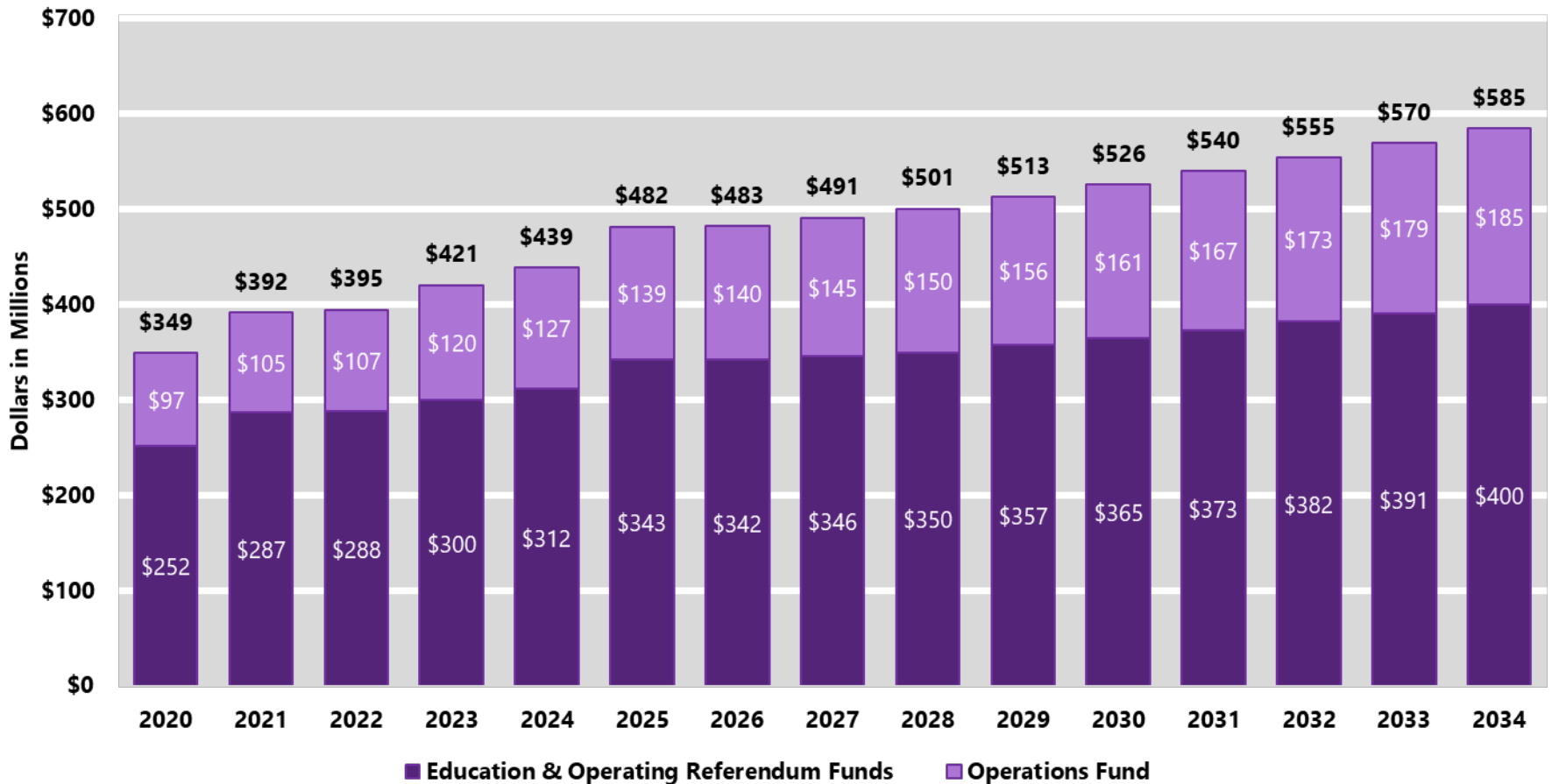
### Revenue Projection

*Education, Operations, and Operating Referendum Funds*



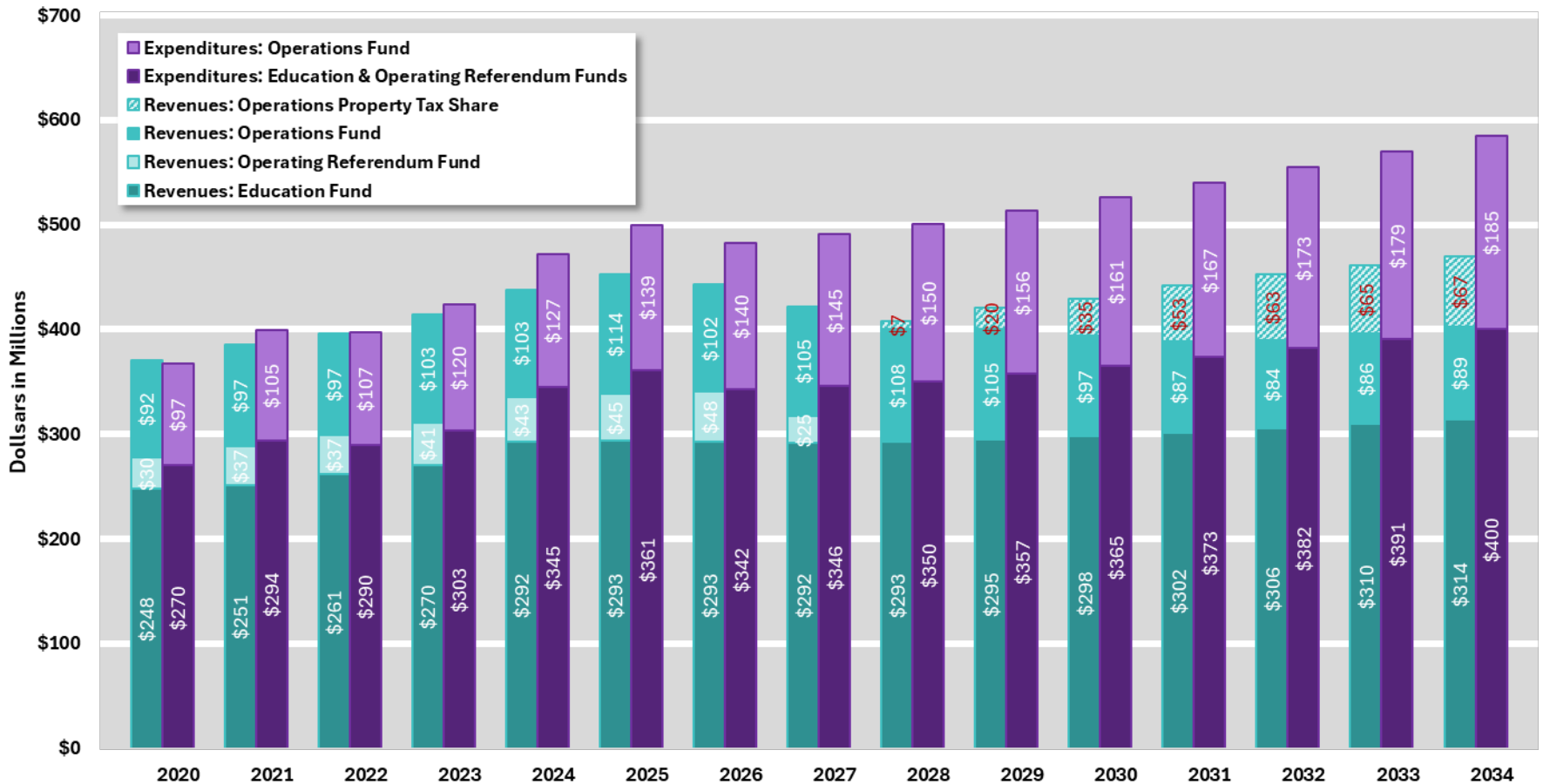
### Expenditure Projection

*Education, Operations, and Operating Referendum Funds*

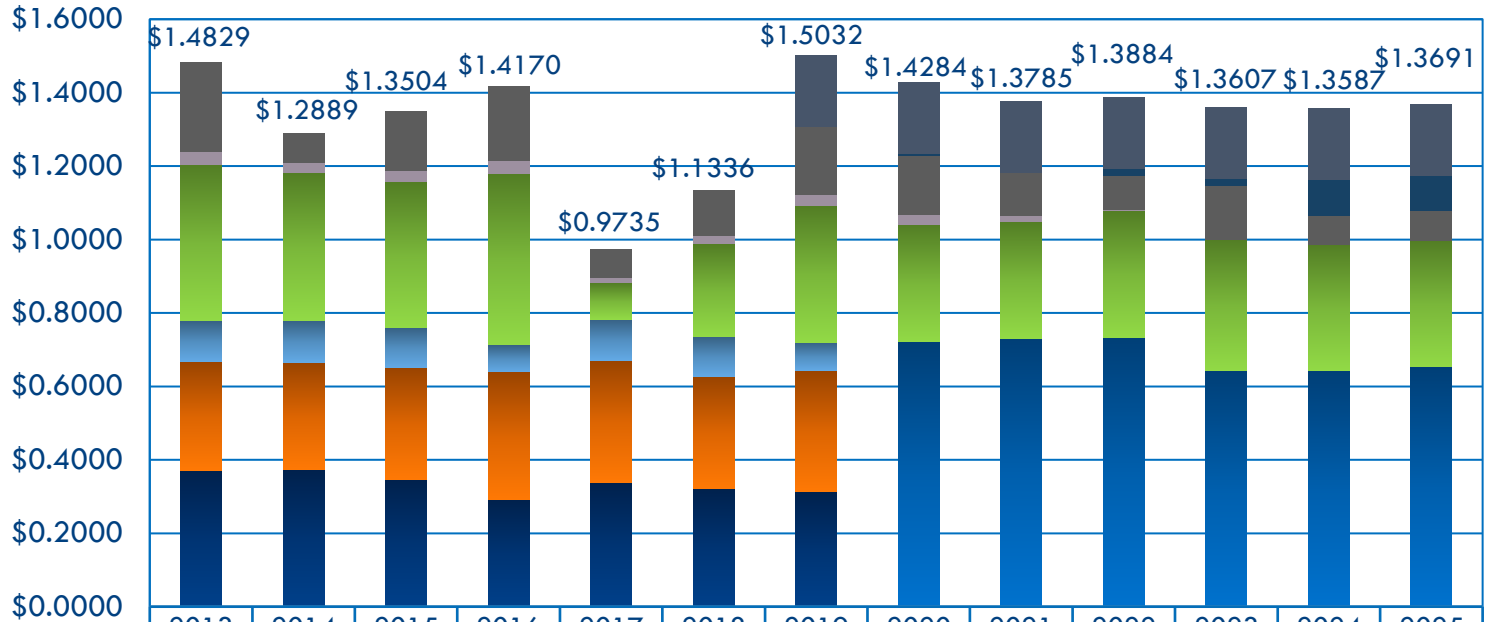


### Revenue & Expenditure Projection

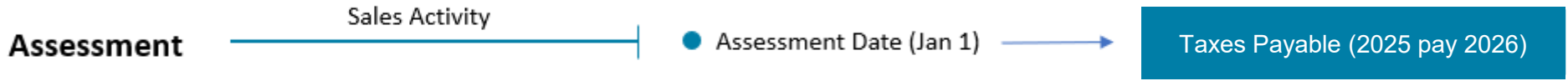
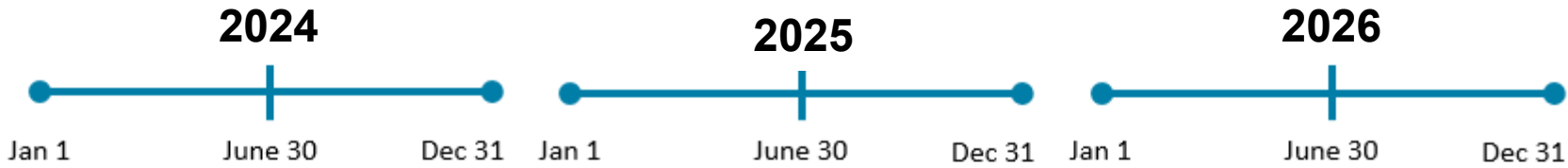
Education, Operations, and Operating Referendum Funds



IPS portion of the Property Tax Rate has benefited from an increasing NAV to remain level even with November 2018 Referendum rates



■ Referendum Operating	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.1960	\$0.1960	\$0.1960	\$0.1960	\$0.1960	\$0.1950	\$0.1960
■ Referendum Debt Post '09	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0053	\$0.0026	\$0.0193	\$0.0168	\$0.1000	\$0.0936
■ Referendum Debt Pre '09	\$0.2433	\$0.0790	\$0.1621	\$0.2025	\$0.0777	\$0.1232	\$0.1863	\$0.1595	\$0.1171	\$0.0916	\$0.1482	\$0.0770	\$0.0834
■ Retirement/Severance	\$0.0365	\$0.0283	\$0.0325	\$0.0362	\$0.0140	\$0.0229	\$0.0299	\$0.0273	\$0.0146	\$0.0030	\$0.0000	\$0.0000	\$0.0000
■ Debt Service	\$0.4249	\$0.4014	\$0.3958	\$0.4654	\$0.0983	\$0.2516	\$0.3706	\$0.3193	\$0.3164	\$0.3453	\$0.3557	\$0.3430	\$0.3430
■ Operations	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.7210	\$0.7318	\$0.7332	\$0.6440	\$0.6437	\$0.6531
■ School Bus Replacement	\$0.1108	\$0.1145	\$0.1089	\$0.0735	\$0.1125	\$0.1094	\$0.0769	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
■ Transportation	\$0.2954	\$0.2929	\$0.3036	\$0.3478	\$0.3323	\$0.3036	\$0.3297	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
■ Capital Projects	\$0.3720	\$0.3728	\$0.3475	\$0.2916	\$0.3387	\$0.3229	\$0.3138	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000



## Indiana Forecast Revenues 2021–27 (in millions)

	Actual 2021	Actual 2022	Actual 2023	Actual 2024	Actual 2025	Forecast 2026	Forecast 2027
Revenues	19,407	21,191	21,058	21,485	22,058	22,228	22,259
Sales Tax	9,073	9,991	10,465	10,370	10,548	10,822	11,203
Indiana Income Tax	7,531	8,181	7,576	8,096	8,462	8,313	8,094
Corporate Income Tax	1,385	1,540	1,231	965	1,035	1,173	1,066
Gaming	409	452	489	450	461	463	461
All Other	1,009	1,027	1,297	1,604	1,552	1,457	1,435



# Long-Term Budget Planning

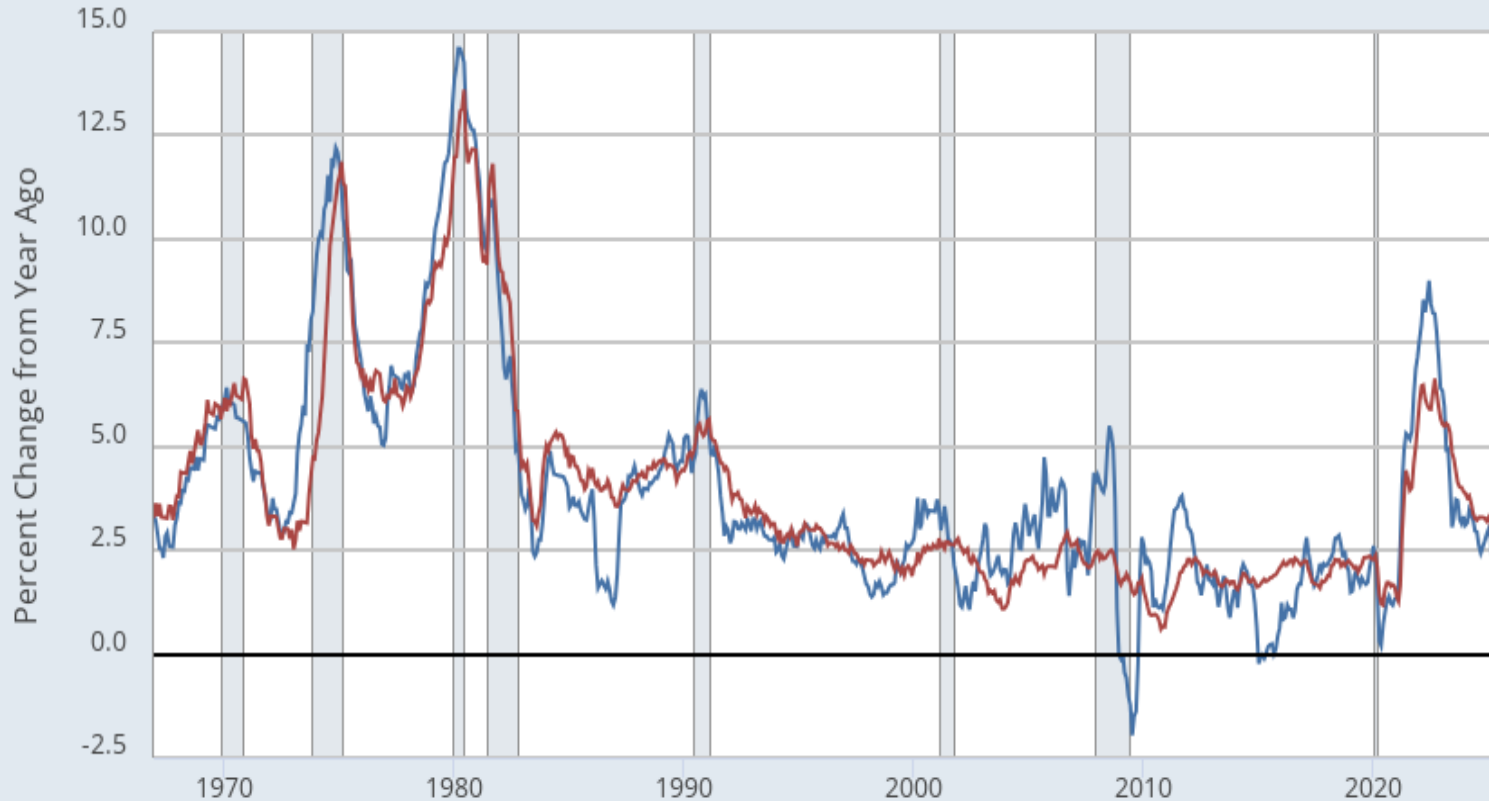
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## Indiana Budget Appropriations 2020–27 (in millions)

	Actual 2020	Budget 2021	Budget 2022	Budget 2023	Budget 2024	Budget 2025	Budget 2026	Budget 2027
Appropriations	17,100	17,489	18,485	18,897	22,047	22,551	23,096	23,099
K–12 Education	8,584	8,791	9,178	9,559	10,428	10,636	10,929	10,929
Higher Education	2,005	2,067	2,047	2,068	2,169	2,189	2,089	2,090
Medicaid	2,569	2,702	2,707	3,060	3,904	4,376	5,041	5,041
Health/Social Services	1,591	1,544	1,516	1,515	1,846	1,902	1,892	1,893
Public Safety	1,076	1,080	1,142	1,151	1,382	1,391	465	465
All Others	1,276	1,307	1,895	1,544	2,318	2,057	2,680	2,681

## Inflation – Increase in Prices and Decrease in Purchasing Value

**FRED** — Consumer Price Index for All Urban Consumers: All Items in U.S. City Average  
 — Consumer Price Index for All Urban Consumers: All Items Less Food and Energy in U.S. City Average



During SY 2020-21, local and national economies experienced a Recession after a decade of economic expansion.

The economic “shocks” have continued throughout the past few years and through SY 2024-25. These impact families and organizations in ways such as employment disruption, issuance of various federal policies, labor & materials shortages, & housing instability.

IPS must manage increasing costs of goods & services while receiving lower increases in revenues.

Source: U.S. Bureau of Labor Statistics via FRED®  
 Shaded areas indicate U.S. recessions.

[myf.red/g/1MnTo](https://myf.red/g/1MnTo)

## Inflation – Increase in Prices and Decrease in Purchasing Value

	Food Service	Energy	Construction
Inflation impact	From 2019 to present, food costs have risen sharply	Natural gas, electricity, and diesel to heat, cool, and power district operations	- Project design, materials, and supplies have risen - Interest rates on debt issuance
IPS activity to address	<ol style="list-style-type: none"> <li>1) Utilize commodity items</li> <li>2) Menu Shifts</li> <li>3) Contract pricing shifts</li> <li>4) Strategic sourcing</li> </ol>	<ol style="list-style-type: none"> <li>1) Cenergistic partnership</li> <li>2) EnergyStar building initiatives</li> <li>3) Building Access Control investments</li> <li>4) Strategic sourcing</li> </ol>	<ol style="list-style-type: none"> <li>1) Execute Bond Issuance and Reimbursement Resolutions</li> <li>2) Adjust project timelines</li> <li>3) Strategic sourcing</li> </ol>
Why it matters?	Without additional revenue sources, every dollar spent on food, energy, or buildings... is a dollar not spent to support staff who teach and provide care for students		

## Since 2015, IPS has pursued highest standards of financial reporting

- ❑ Implemented Governance Structures
  - ❑ Established [Finance Committee](#)
  - ❑ Established [Audit Committee](#)
  - ❑ Established Policies to govern
    - [Cash Management](#)
    - [Debt Management](#)
    - [Internal Controls](#)
    - [Investment](#)
- ❑ Shifted External Reviews from State Board of Accounts to Third-Party CPA Firm
  - ❑ Voluntarily requested annual audits rather than state-wide standard of every two years ([First year SY 2016-17](#))
  - ❑ Advocated for legislative change to allow school districts to engage Third-Party CPA Firm ([First year SY 2017-18](#))
  - ❑ Increased timeliness of audit completion from start to finish
  - ❑ Decreased time internal staff devoted to external audit process
- ❑ Shifted to Generally Accepted reporting standards
  - ❑ Advocated and encouraged to report via Generally Accepted Accounting Principles
    - 1 of 9 school districts in state required to report via GAAP in order to issue Bonds, beginning 2019
  - ❑ Voluntarily completed an [Annual Comprehensive Financial Report](#) alongside standard audit report for SY 2023-24
- ❑ Implemented [Student-Based Allocation](#) to distribute funds based on need
  - ❑ Established [Policy](#)
  - ❑ Distributed funds via Weighted Student Formula since SY 2017-18. (SY 2024-25 Allocations [here](#))