



SY 2024–25 Q1 FINANCE UPDATE

Weston Young, CPA – Chief Financial Officer

November 21, 2024

- 1 Year to Date Overview
- 2 Supplier Diversity
- 3 Decision Points & Planning
- 4 Focus on Long-Term Planning & Property Tax Update
- 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 & 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

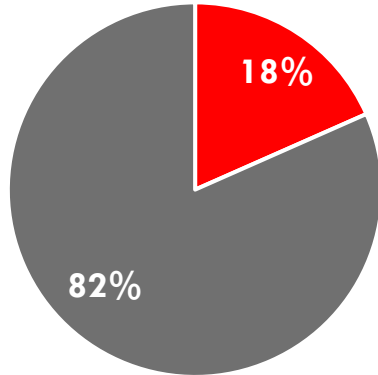
Rebuilding Stronger Implementation

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

Resource Allocation & Reporting

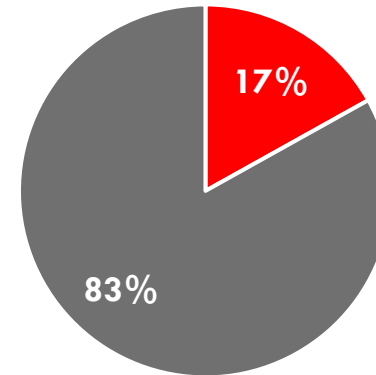
- Winddown of [ESSER Funding](#) as of 9/30/24 End Date
- Support [Budget Implementation & Development](#) for SY 2024-25 & Beyond
- Finalized SY 2023-24 [Fiscal Year-End Reporting](#)
- Initiated SY 2023-24 Financial and Federal Awards Annual [Audit](#)

2024 Year to Date



Total Eligible Expenditures
\$176,000,000

2023 Calendar Year



Total Eligible Expenditures
\$143,000,000

■ XBE ■ Non XBE

Top 5 Vendors 2024 YTD		Top 5 Vendors 2023	
POWERS-DAVIS JV, MBE	\$ 7,174,165	TUTORED BY TEACHERS, MBE	\$ 9,030,580
TUTORED BY TEACHERS, MBE	\$ 5,874,682	DNO INC, MBE	\$ 2,018,340
SCHMIDT ASSOCIATES, WBE	\$ 3,647,511	METICULOUS DESIGN, MBE	\$ 1,841,922
DNO INC, MBE	\$ 2,091,425	EDUSERVICE, WBE	\$ 860,358
BUSINESS FURNITURE, WBE	\$ 1,728,252	WEBER AND ASSOCIATES, WBE	\$ 744,626

QUANTITY OF VENDORS USED 2024		QUANTITY OF VENDORS USED 2023	
XBE VENDORS USED	140	XBE VENDORS USED	131
TOTAL VENDORS USED	1033	TOTAL VENDORS USED	1011



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
- Investments in student experience, technology, and early learning



Implemented and Yielding Positive Results

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

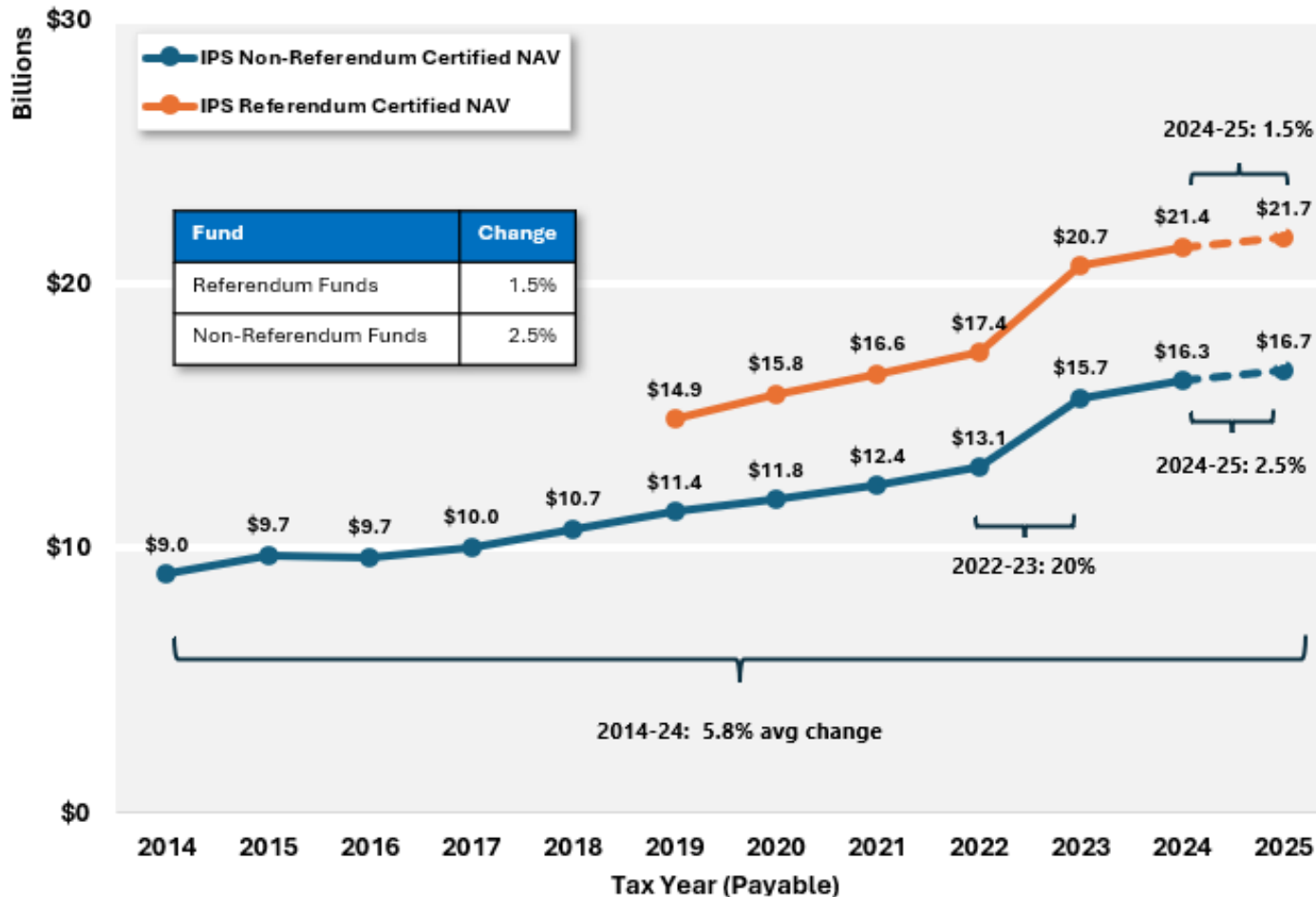


In Development

- Long-Term Planning for revenue shifts in State Budget Policy
- SY 2025-26 Budget Development – School-Based & Central Supports
- Literacy & Post-Secondary Readiness - Mandated and Strategic Initiatives

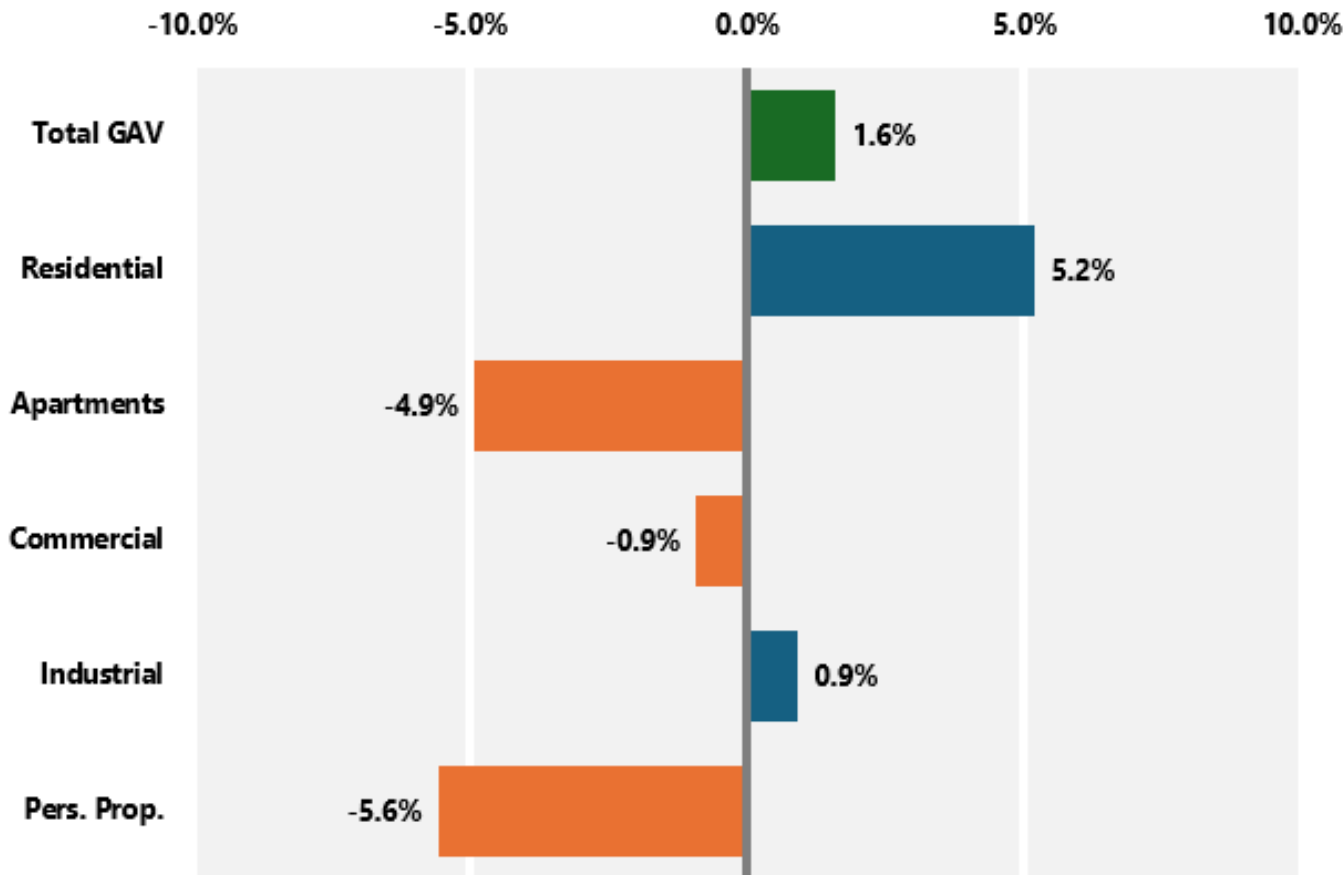
IPS Certified Net Assessed Value Growth by Tax Year

IPS Certified Net Assessed Value Timeseries



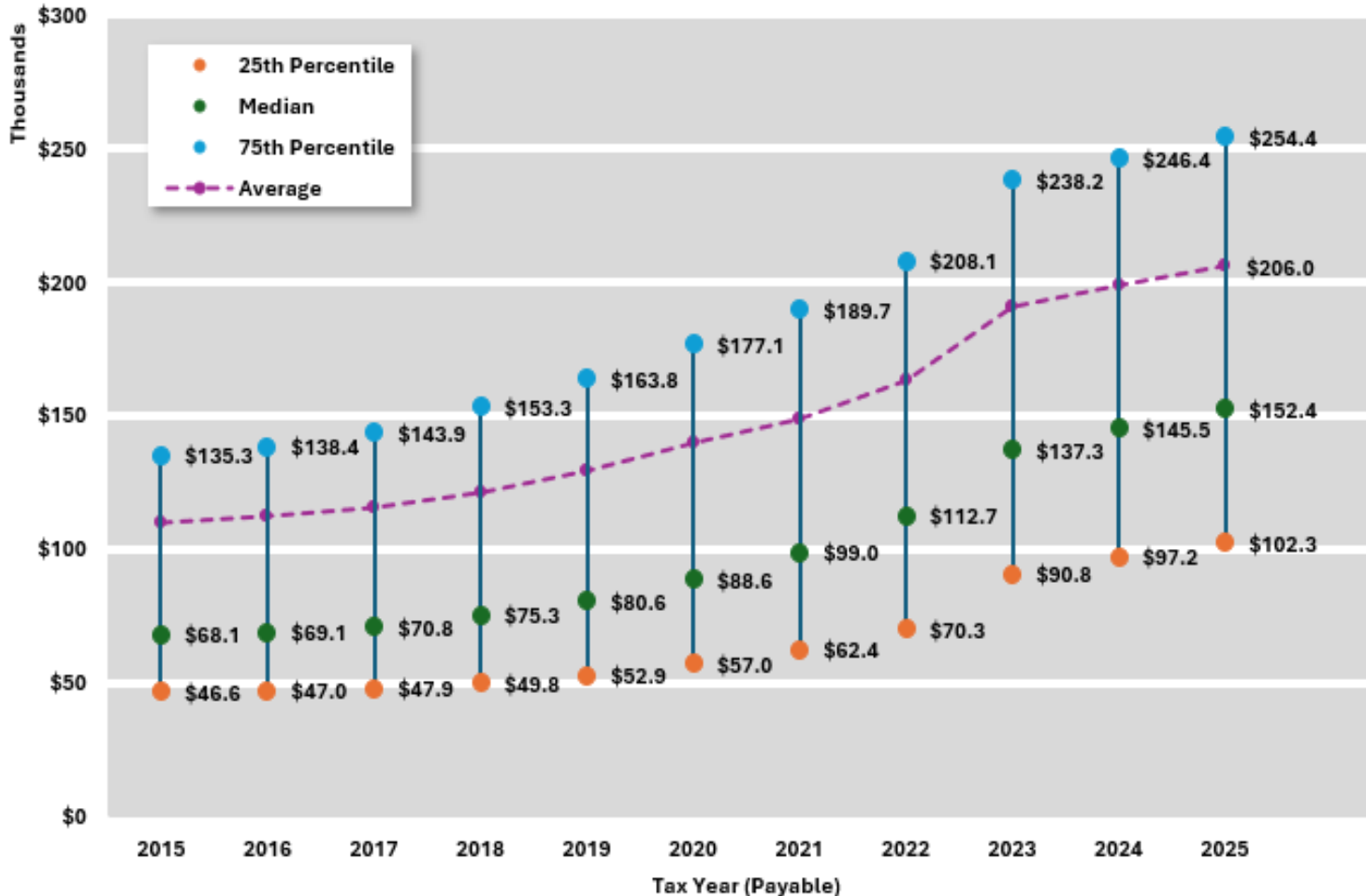
- Marion County Net Assessed values were certified by the Auditor in August, 2024.
- The Certified Net Assessed Value forms the basis of the property tax rate calculations for the 2025 calendar year.
- Referendum funds (post 2009) include assessed value from TIF (tax increment financing) districts).

Change in IPS Gross Assessed Value (GAV): Pay 2024 to Pay 2025

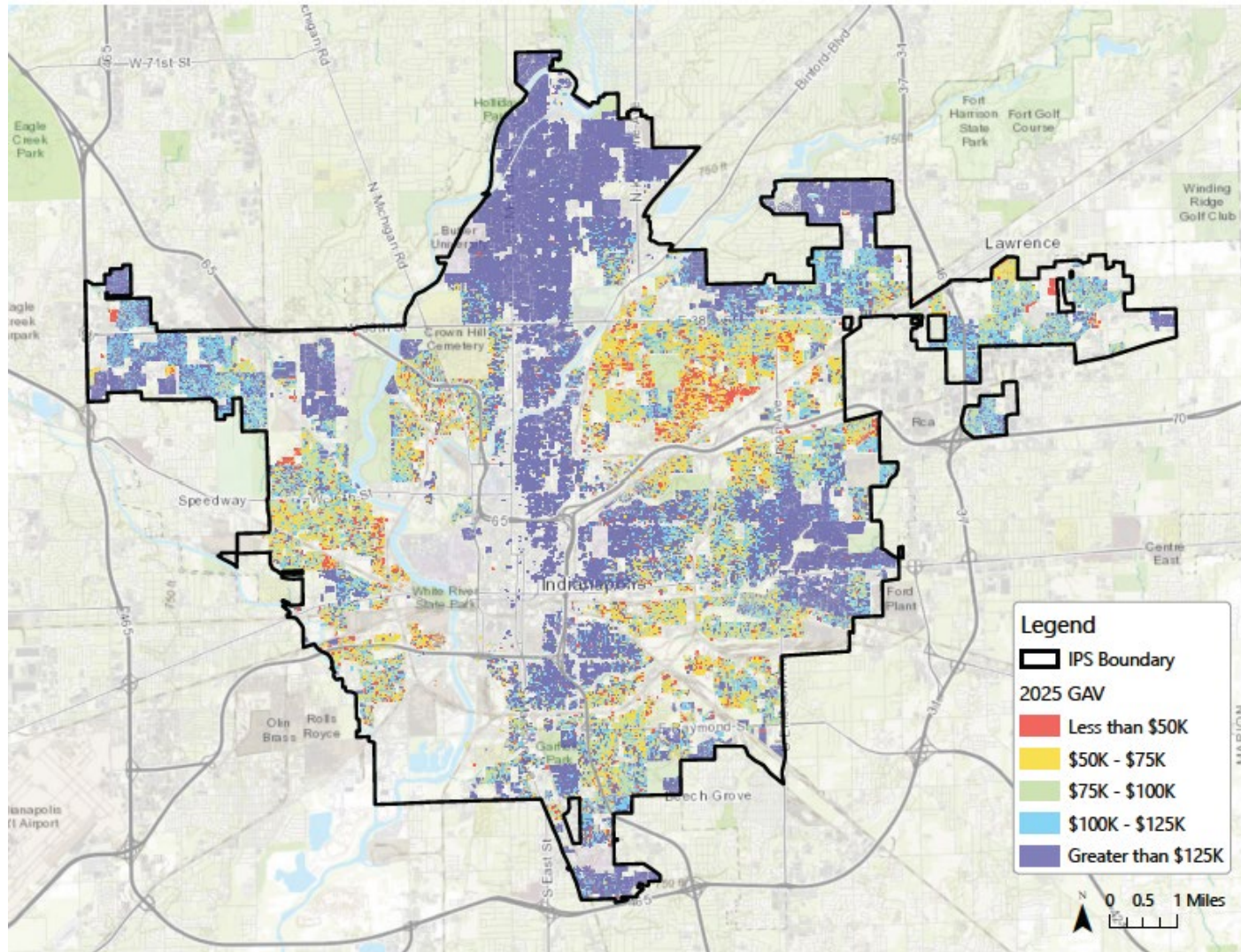


- The Gross Assessed Value (market value) of property within IPS boundaries increased by 1.6% between the Pay 2024 and Pay 2025 tax years.
- This change is less than in previous years due to year-over-year decreases in Apartment, Commercial and Personal Property Classifications.
- The market value of residential property increased by 5.2% compared to the prior year.

Homestead Assessed Value within IPS Boundaries



- The median homestead (owner occupied) gross assessed value within IPS boundaries is \$152,400.
- The median homestead increased by 4.7% between the Pay 2024 and Pay 2025 tax years.
- Between the 2023 and 2018 tax years, the median home value increased by 13% annually.



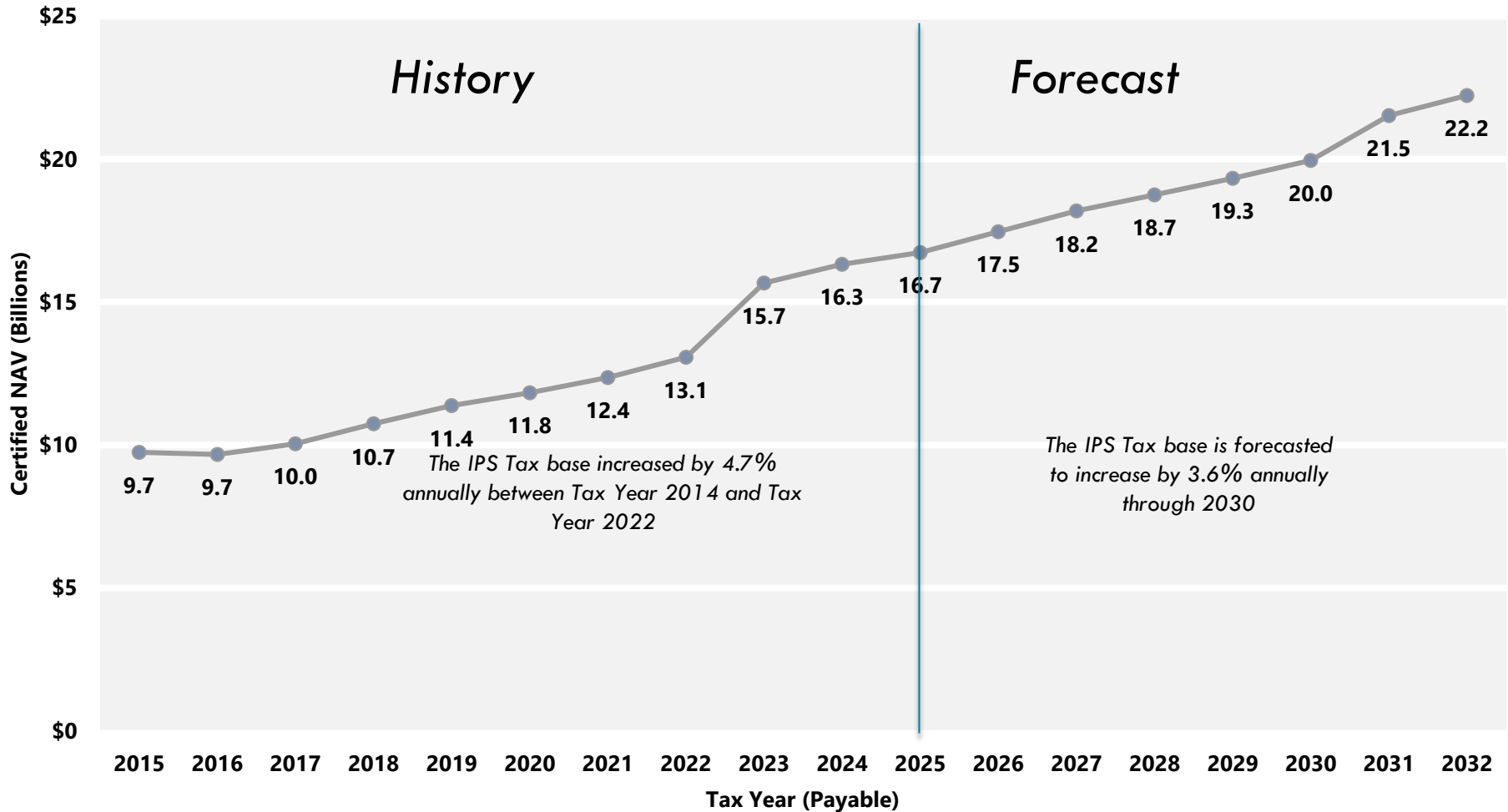
- Homestead properties valued greater than \$128,000 are at the 1% circuit breaker cap.
- Approximately 54% of properties within IPS are at the circuit breaker cap. Those not at the cap include non-residential properties, and homesteads valued less than \$128K.



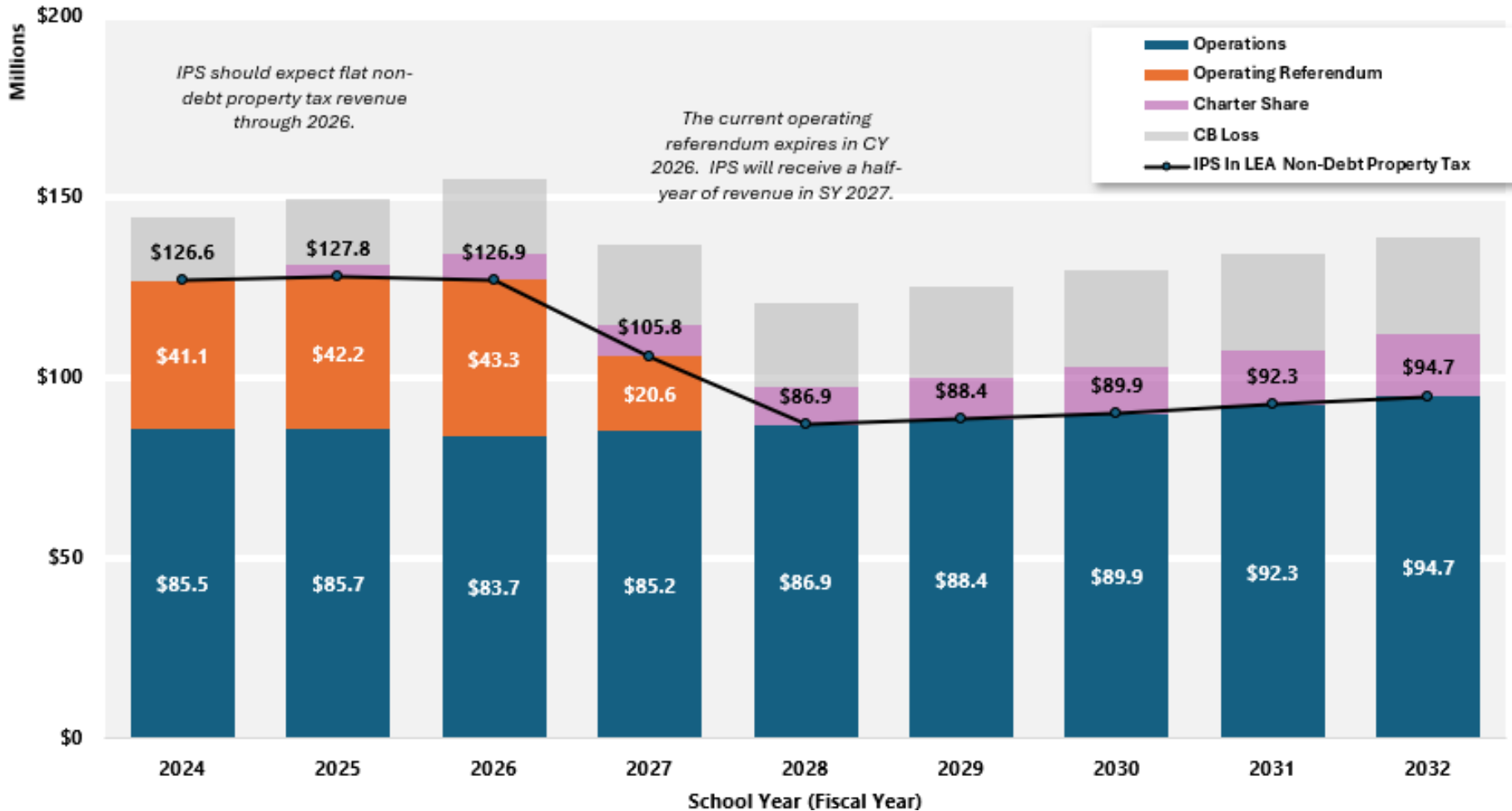
Long-Term Budget Planning – Property Tax

10

IPS Certified Net Assessed Value Forecast (in billions)



IPS Property Tax Revenue Forecast (Non-Debt Funds)





The IPS tax base increased by 2.5% for non-referendum funds and 1.5% for non-referendum funds compared to prior year. Net increase impacted by strong residential growth and decreases in other non-residential property.



IPS' Operational property tax revenues are expected to be flat through SY 2025-26. Beginning in SY 2026-27, the expiration of the operating referendum will reduce property tax revenue.



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

*my*IPS



APPENDIX

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

SY 2019 to 2025 YTD Cash Flow Summary

	2020	2021	2022	2023	2024	2025	2020	2021	2022	2023	2024	2025
	Actual	Actual	Actual	Actual	Actual	Q1	Actual	Actual	Actual	Actual	Actual	Q1

RECEIPTS

Tuition Support	246	251	258	268	286	73	48%	49%	46%	41%	43%	56%
Local Property Taxes - Operations	69	85	83	90	86	-	13%	16%	15%	14%	13%	0%
Local Property Taxes - Referendum	28	35	35	38	40	-	5%	7%	6%	6%	6%	0%
Local Property Taxes - Debt	55	58	54	65	86	-	11%	11%	10%	10%	13%	0%
Other Taxes	17	16	20	20	19	-	3%	3%	4%	3%	3%	0%
Federal Revenue	51	43	37	38	40	17	10%	8%	7%	6%	6%	13%
ESSER	-	2	30	88	67	30	0%	0%	5%	14%	10%	23%
Food Service	18	10	22	23	22	5	3%	2%	4%	4%	3%	4%
Disposal of Property	6	0	0	0	0	0	1%	0%	0%	0%	0%	0%
Other	26	17	17	16	21	5	5%	3%	3%	3%	3%	4%
Total Receipts	515	516	557	646	668	131	100%	100%	100%	100%	100%	100%

EXPENDITURES

General Education	122	123	120	138	136	33	25%	23%	22%	22%	20%	24%
Special Education	44	47	45	49	49	12	9%	9%	8%	8%	7%	8%
Innovation Network	66	88	104	110	116	28	14%	17%	19%	17%	17%	20%
Educational Support	76	88	85	103	111	24	16%	17%	16%	16%	16%	17%
Administrative Operations	19	19	21	26	26	7	4%	4%	4%	4%	4%	5%
Capital Projects	44	51	56	66	65	18	9%	10%	10%	10%	10%	13%
Transportation	34	34	31	41	51	2	7%	6%	6%	6%	8%	2%
Food Service	23	13	20	22	22	5	5%	3%	4%	3%	3%	4%
Debt Payment - Principal	40	50	48	62	74	-	8%	10%	9%	10%	11%	0%
Debt Payment - Interest	15	13	13	15	21	-	3%	2%	2%	2%	3%	0%
Other	1	1	1	7	4	10	0%	0%	0%	1%	1%	7%
Total Expenditures	485	526	544	639	675	139	100%	100%	100%	100%	100%	100%

Surplus (Deficit) as % of Total Expenditures

Surplus (Deficit)	30	(10)	13	7	(7)	(8)	6%	-2%	2%	1%	-1%	-5%
-------------------	----	------	----	---	-----	-----	----	-----	----	----	-----	-----

Content updated 11.15.2024 Note: Dollars in Millions

YTD Revenues

Impacted by:

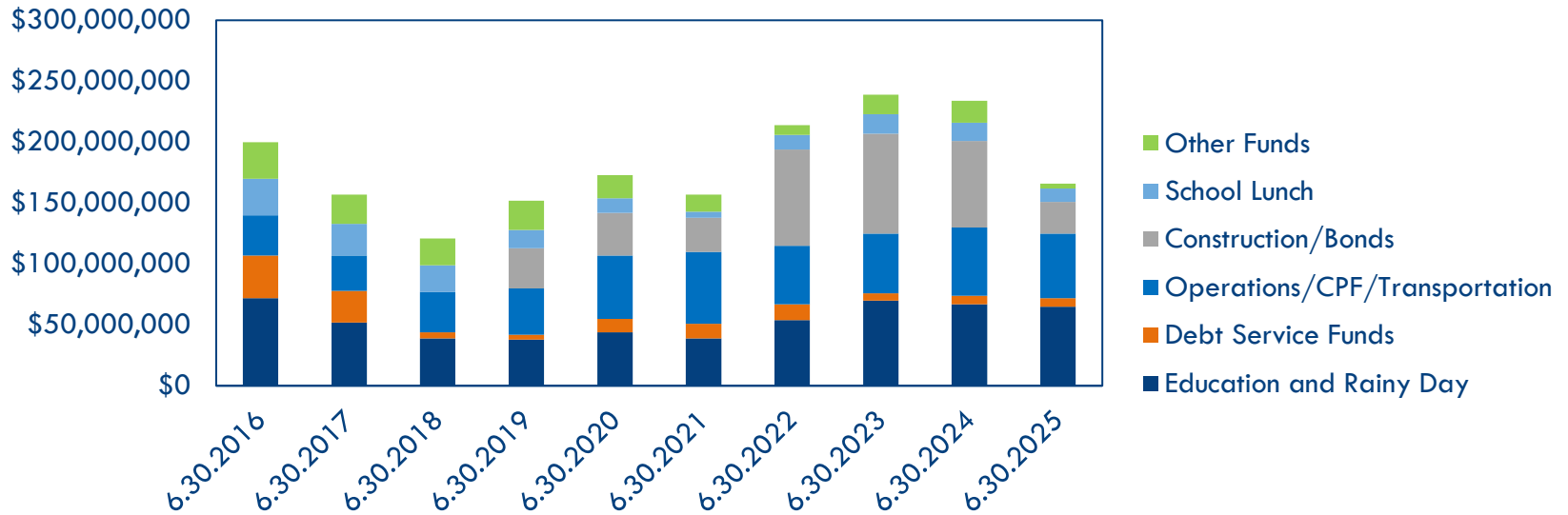
- 1) Total Enrollment across portfolio stable with additional Tuition Support per pupil
- 2) Local Property Tax Funding received semi-monthly
- 3) Timing of ESSER reimbursements

YTD Expenditures

Impacted by:

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

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	9.30.24
Education and Rainy Day	\$72M	\$52M	\$39M	\$38M	\$44M	\$39M	\$54M	\$70M	\$67M	\$65M
Debt Service Funds	\$35M	\$26M	\$5M	\$4M	\$11M	\$12M	\$13M	\$6M	\$7M	\$7M
Operations/CPF/Transportation	\$33M	\$29M	\$33M	\$38M	\$52M	\$59M	\$48M	\$49M	\$56M	\$53M
Construction/Bonds	\$0M	\$0M	\$0M	\$33M	\$35M	\$28M	\$79M	\$82M	\$71M	\$26M
School Lunch	\$30M	\$26M	\$22M	\$15M	\$12M	\$5M	\$12M	\$16M	\$15M	\$11M
Other Funds	\$30M	\$24M	\$22M	\$24M	\$19M	\$14M	\$8M	\$16M	\$18M	\$4M
Total Funds	\$200M	\$157M	\$121M	\$152M	\$173M	\$157M	\$214M	\$239M	\$234M	\$166M

Strategic Priority 4: Operate and Fund Strategically

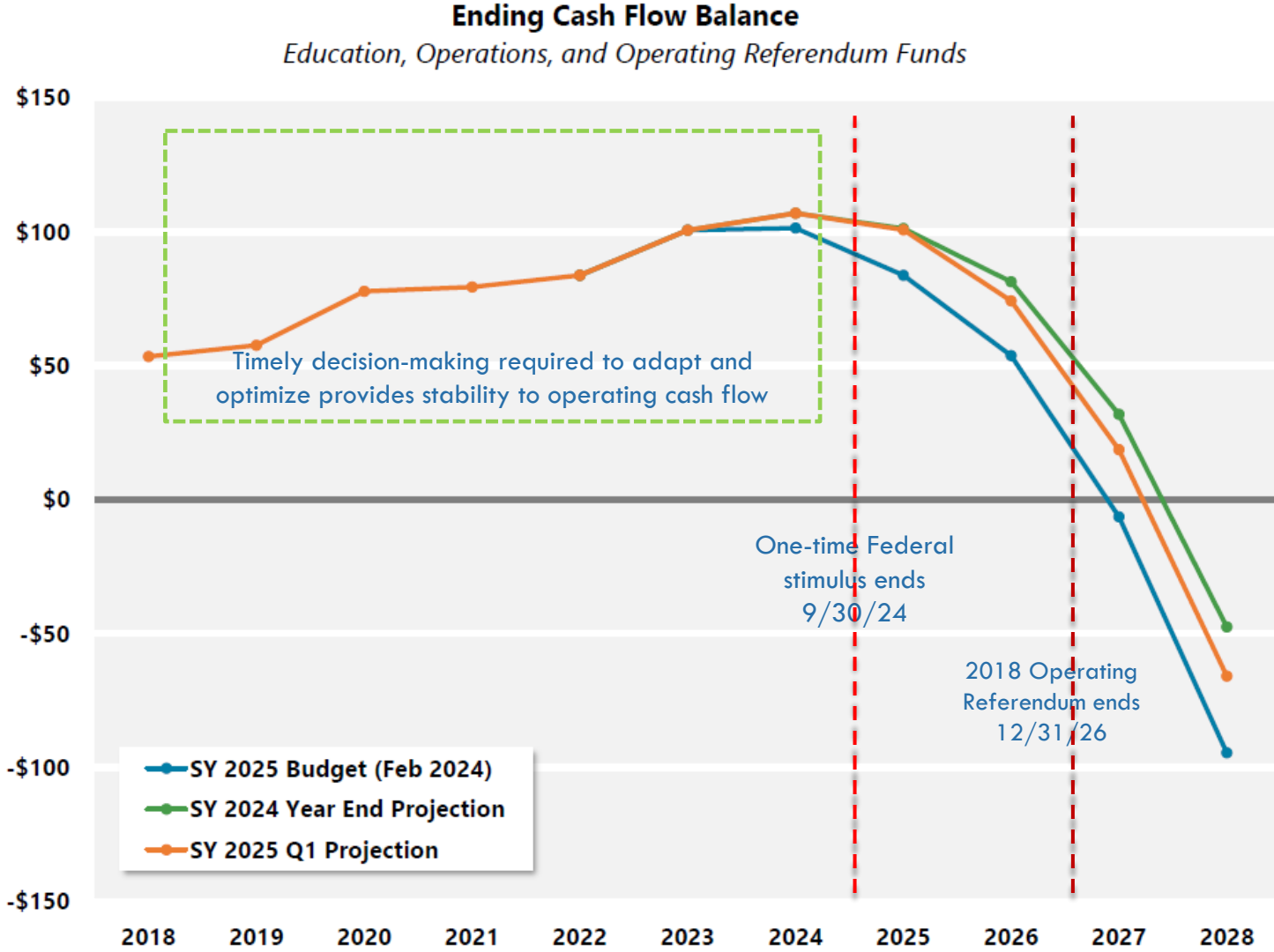
Cash Flow Projection – November 2024

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 November 2024 Projection.

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

- One-time Federal stimulus (ending in 2024) and
- local property tax referendum (ending 12/31/26) which would need to be extended every 8 years





Board-Appropriated Funds

SY 2024–25 YTD Cash Flow Summary

Funds	Actual Balance 6.30.2024	Actual Revenue	Transfers from Other Funds & Adjustments	Actual Admin Fund Transfers @ <15% (1)	Actual Expense	Net Cash Flow	Actual Balance 9.30.2024	Fund Balance % (2)
Education	\$51M	\$75M	\$0M	\$0M	(\$77M)	(\$2M)	\$49M	16%
Operations	\$56M	\$12M	\$9M	\$0M	(\$24M)	(\$12M)	\$44M	44%
Rainy Day	\$17M	-	\$0M		\$0M	\$0M	\$17M	0%
Operating Referendum	\$0M	\$0M	\$0M		\$0M	\$0M	\$0M	0%
Total	\$124M	\$87M	\$9M	\$0M	(\$101M)	(\$14M)	\$110M	28%

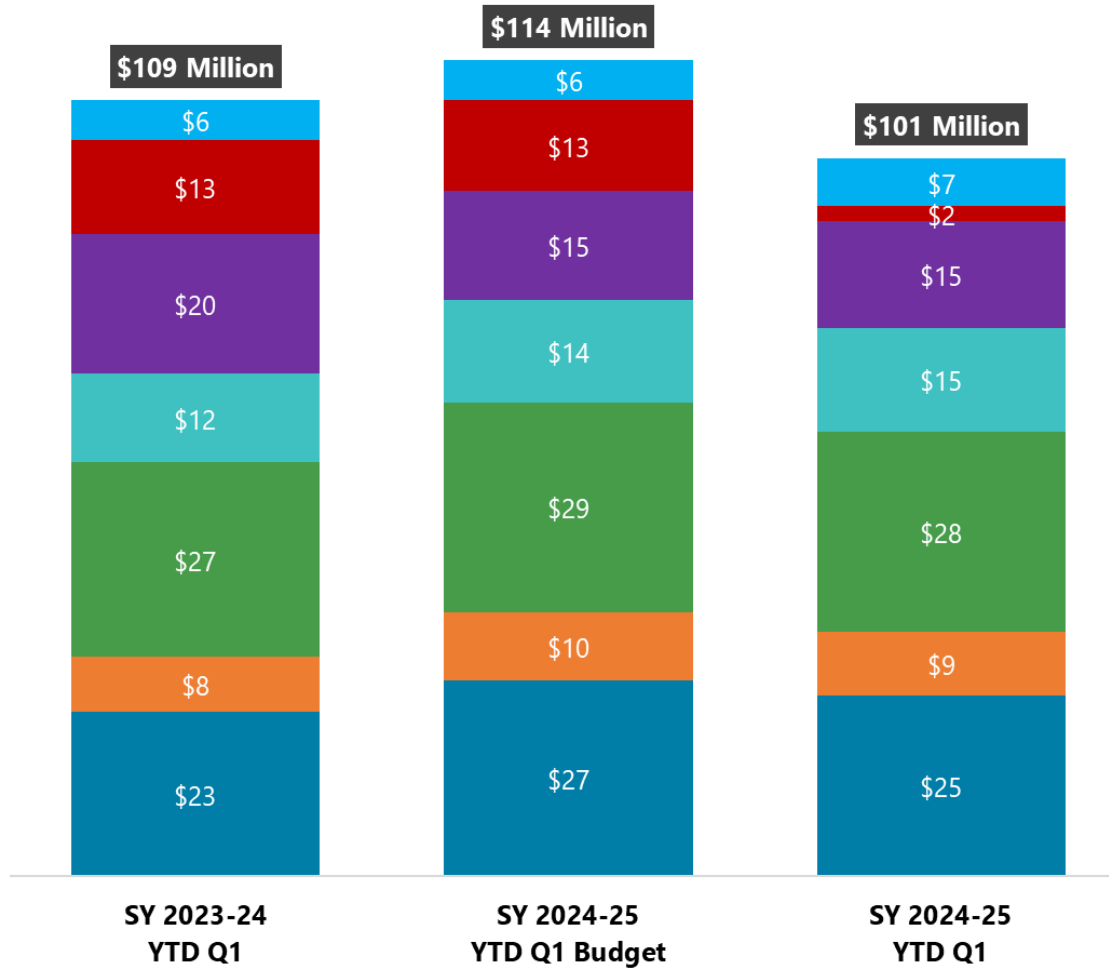
Cash Flow through first quarter was supported by state tuition support. Operations expenditures are incurred without semi-annual property tax receipts which will be received in the 2nd quarter. Cash reserves are used to support the facilities, transportation, and operational supports of the district during months when property tax receipts are not received. Cyclical cash flow is planned & managed by retaining adequate cash reserves.

Cash Balances remain 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.

July 2024-September 2024: Expenditures (in Millions)



Analysis:

- 1) General, Special Education, & Educational Support in line with Prior Year and Budget
- 2) Innovation payments increased from Prior Year due to change in State Funding & # of students
- 3) Capital Projects & Transportation impacted by the timing of payments during summer months and start of school operations



Board-Appropriated Funds

20

SY 2024-25 Projected Cash Flow Summary

Funds	Actual Balance 6.30.2024	Projected Revenue	Net Transfers to/from Other Funds & Adjustments	Projected Admin Fund Transfers @ <15% (1)	Projected Expense	Net Cash Flow	Projected Balance 6.30.2025	Fund Balance % (2)
Education	\$51M	\$295M	\$3M	(30M)	(\$289M)	(\$21M)	\$30M	9%
Operations	\$56M	\$109M	\$9M	\$30M	(\$133M)	\$15M	\$71M	53%
Rainy Day	\$17M	-	\$2M		\$0M	\$2M	\$19M	0%
Operating Referendum	\$0M	\$45M	\$0M		(\$45M)	\$0M	\$0M	0%
Total	\$124M	\$449M	\$14M	\$0M	(\$467M)	(\$4M)	\$120M	26%

Cash Flow during the fiscal year is projected to incur more expenses than revenues. One-Time transfers from final reconciliation of ESSER stimulus assist cash flow. The district's pursuit of Strategic Plan 2025 priorities and goals is supported by planning and implementation of 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 a 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.

State Tuition Support

Education Fund

Inflows =	<u>\$295M</u>
Expenditures	
General Education =	(\$67M)
Special Education =	(\$42M)
Innovation Network =	(\$119M)
Educational Support =	(\$61M)
Total Expenditures =	<u>(\$289M)</u>
Ops. Transfer =	(\$30M)
Total Outflows =	<u>(\$299M)</u>
\$45M received and expended in Operating Referendum Fund for Education Fund related services	

Property-Tax Support

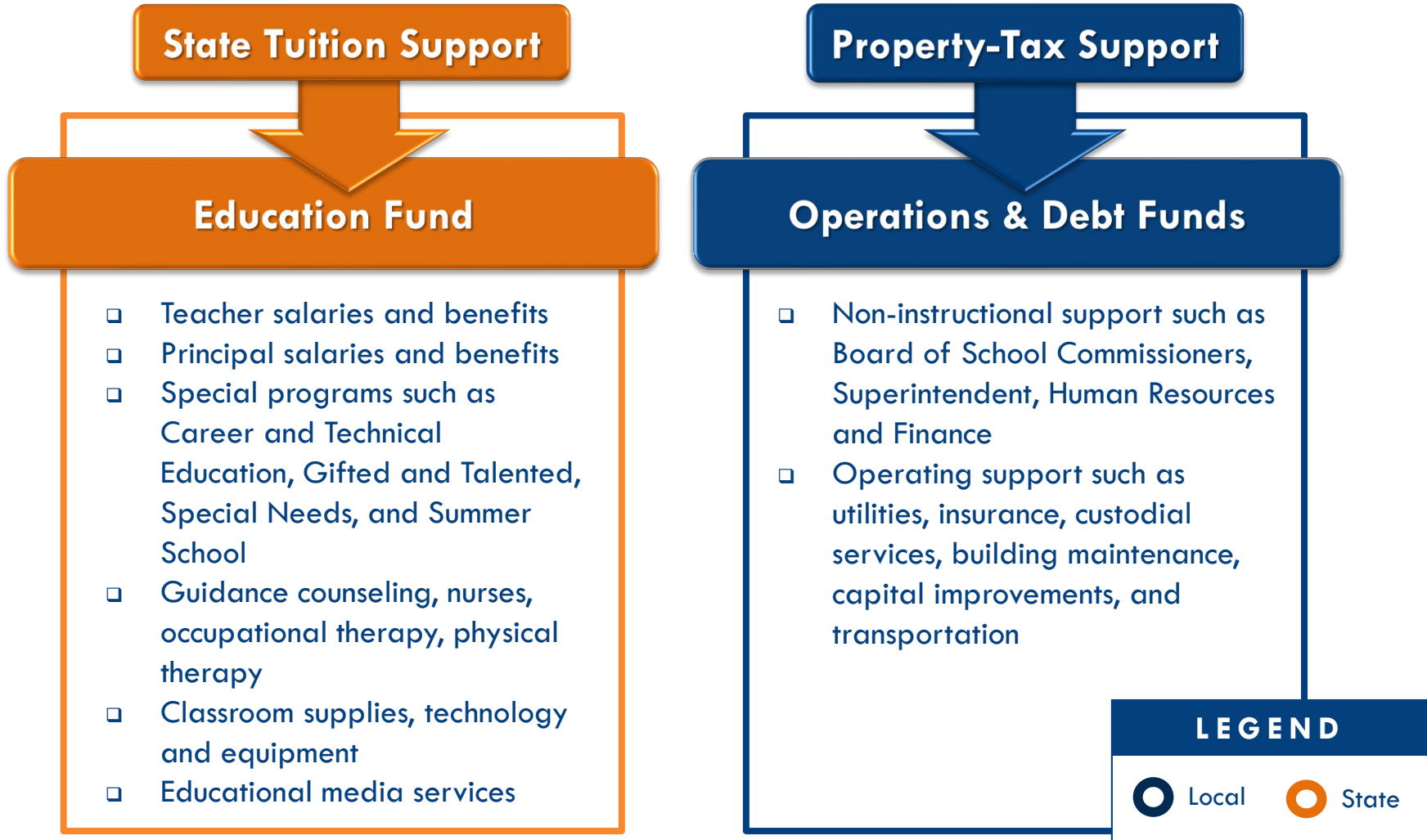
Operations Fund

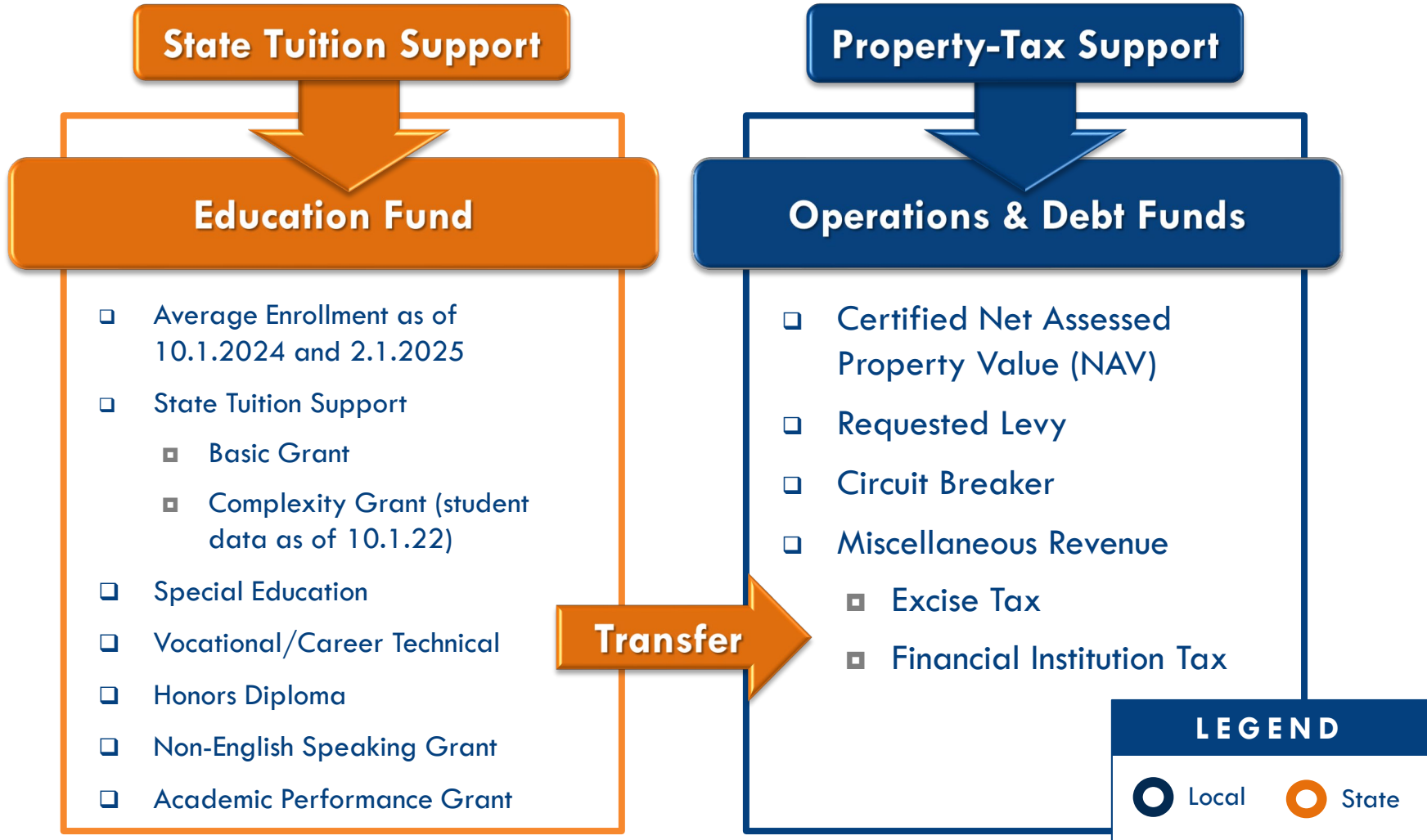
Inflows	
Property Tax =	\$109M
Ops. Transfer =	\$30M
Fund Transfers =	\$9M
Total Inflows =	<u>\$148M</u>
Expenditures	
Capital Projects =	(\$60M)
Transportation =	(\$49M)
Admin. Operations =	(\$24M)
Total Expenditures =	<u>(\$133M)</u>

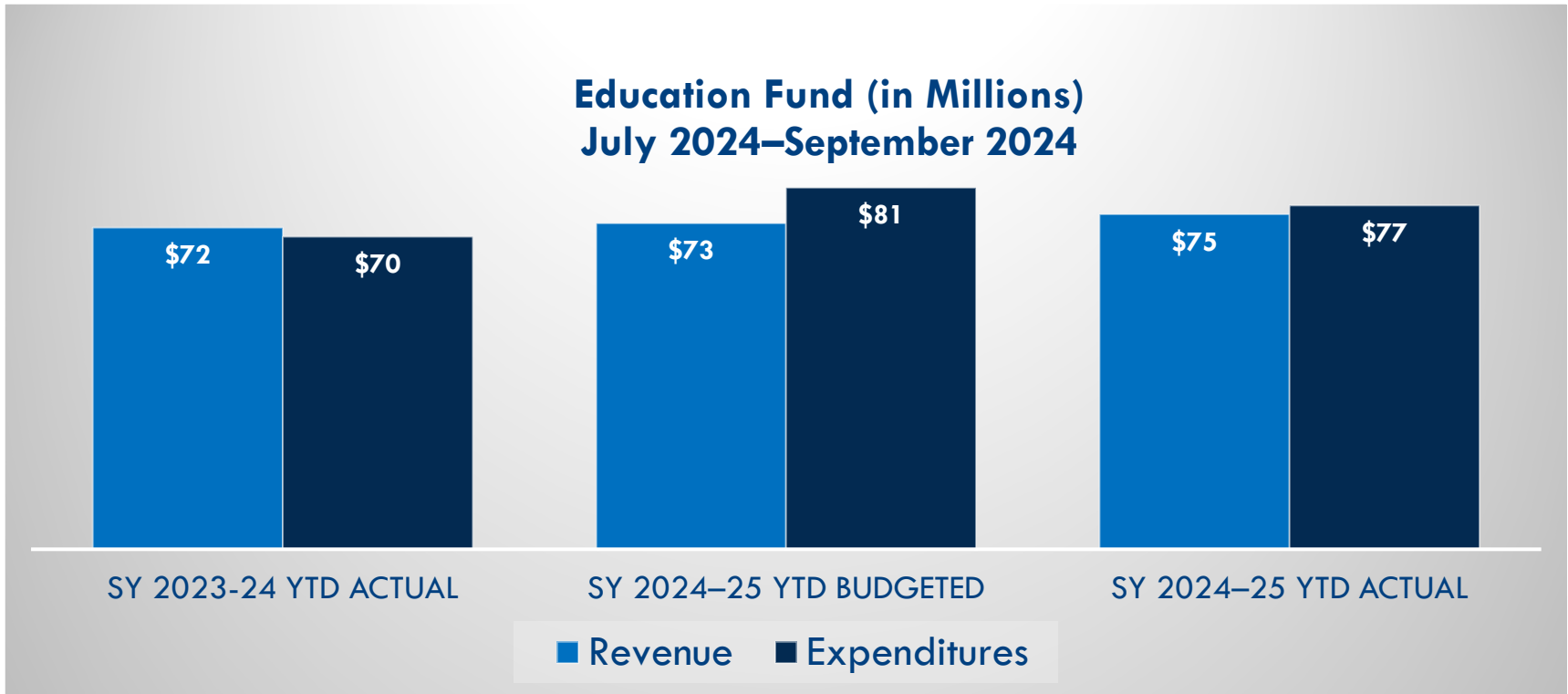
\$30M Ops. Transfer

LEGEND

-  Local
-  State

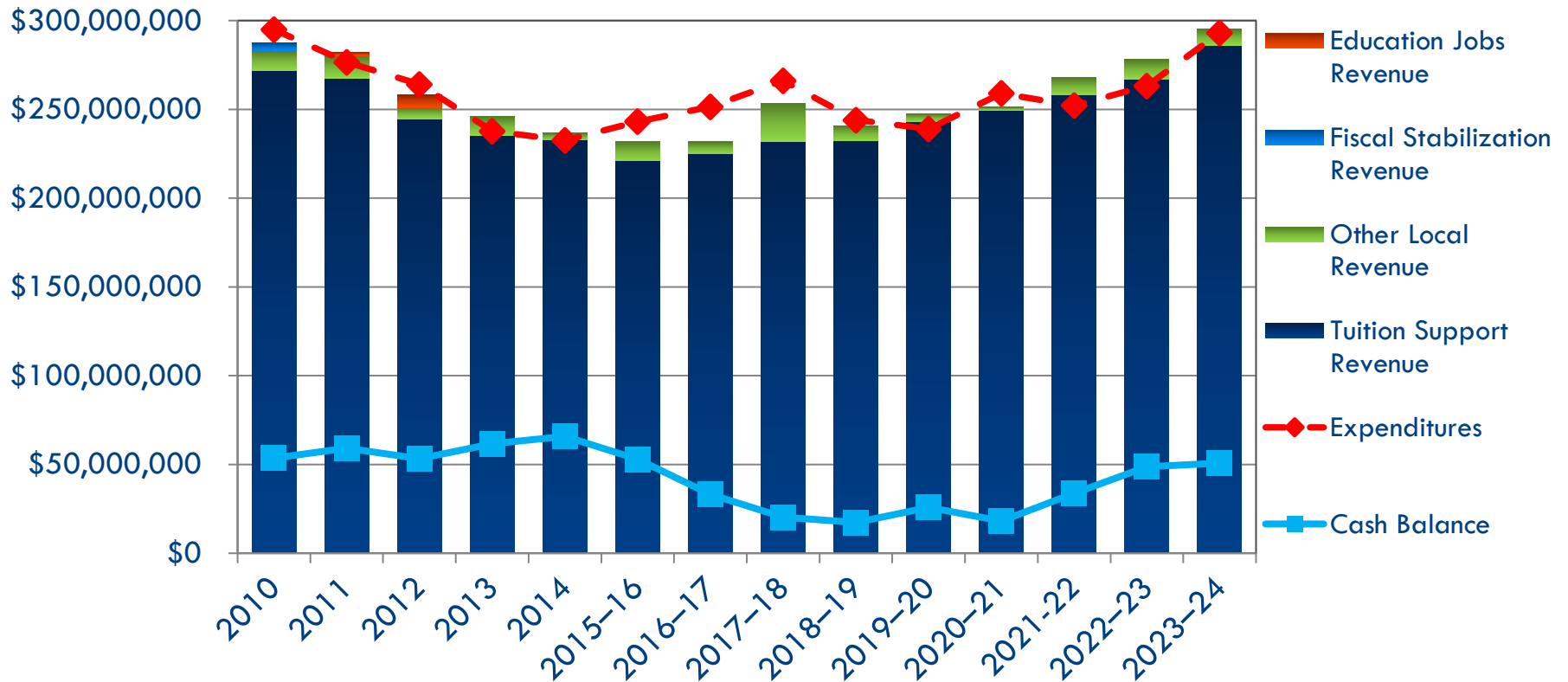




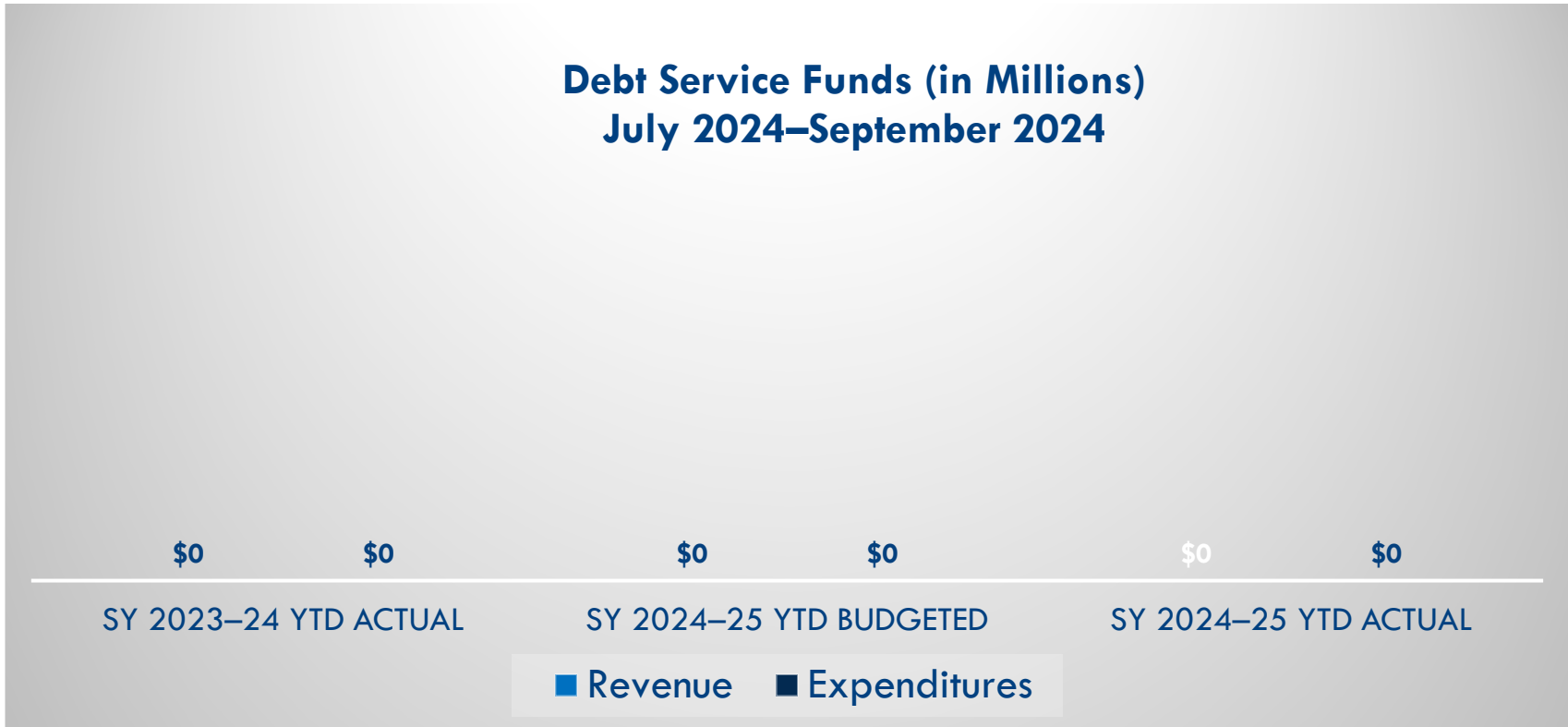


- ❑ Appropriation requested from DLGF = \$306M (not including Admin Transfer)
- ❑ State tax revenue received monthly
- ❑ Effective July 1, 2019, “General Fund” converted to “Education Fund”

General/Education Fund and Related Supporting Funds Calendar Year 2010 Through SY 2023–24

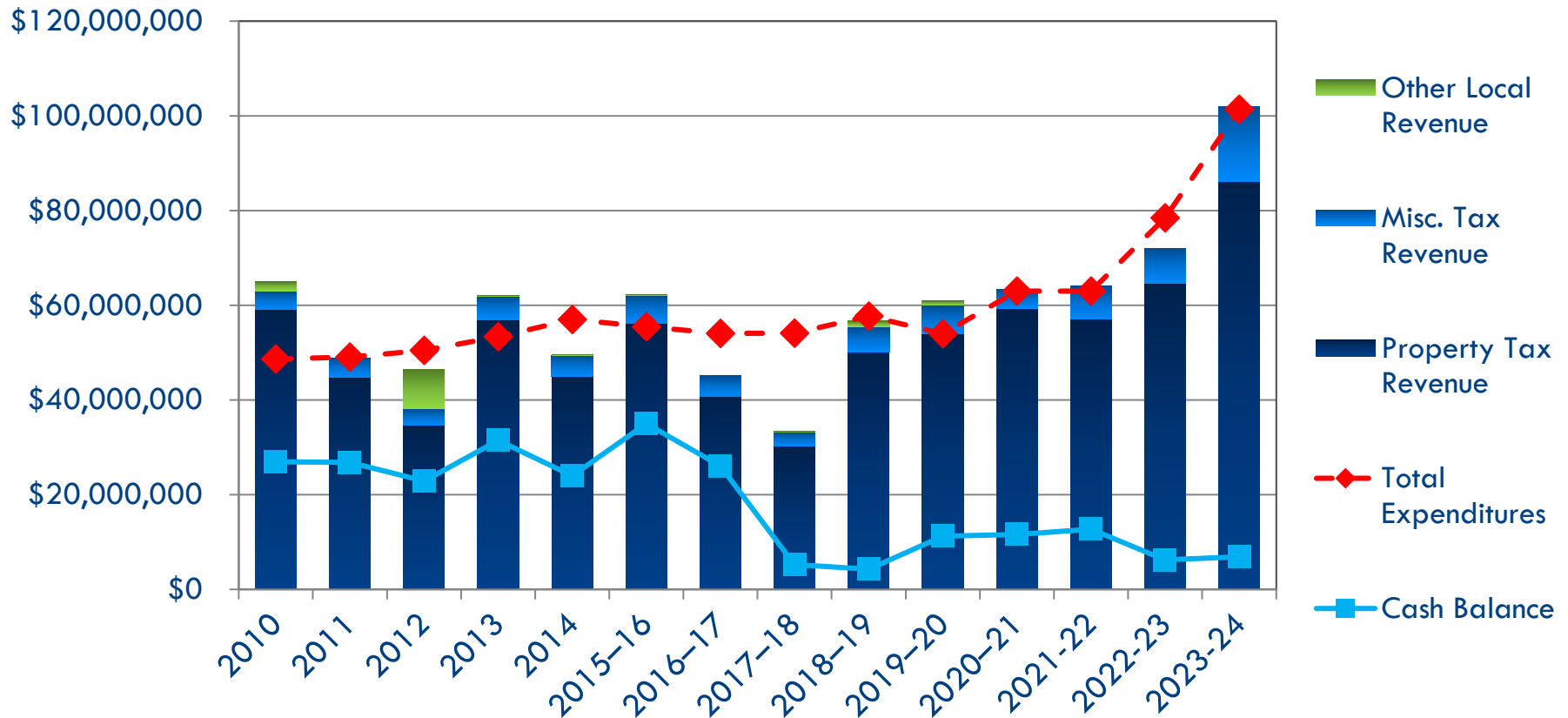


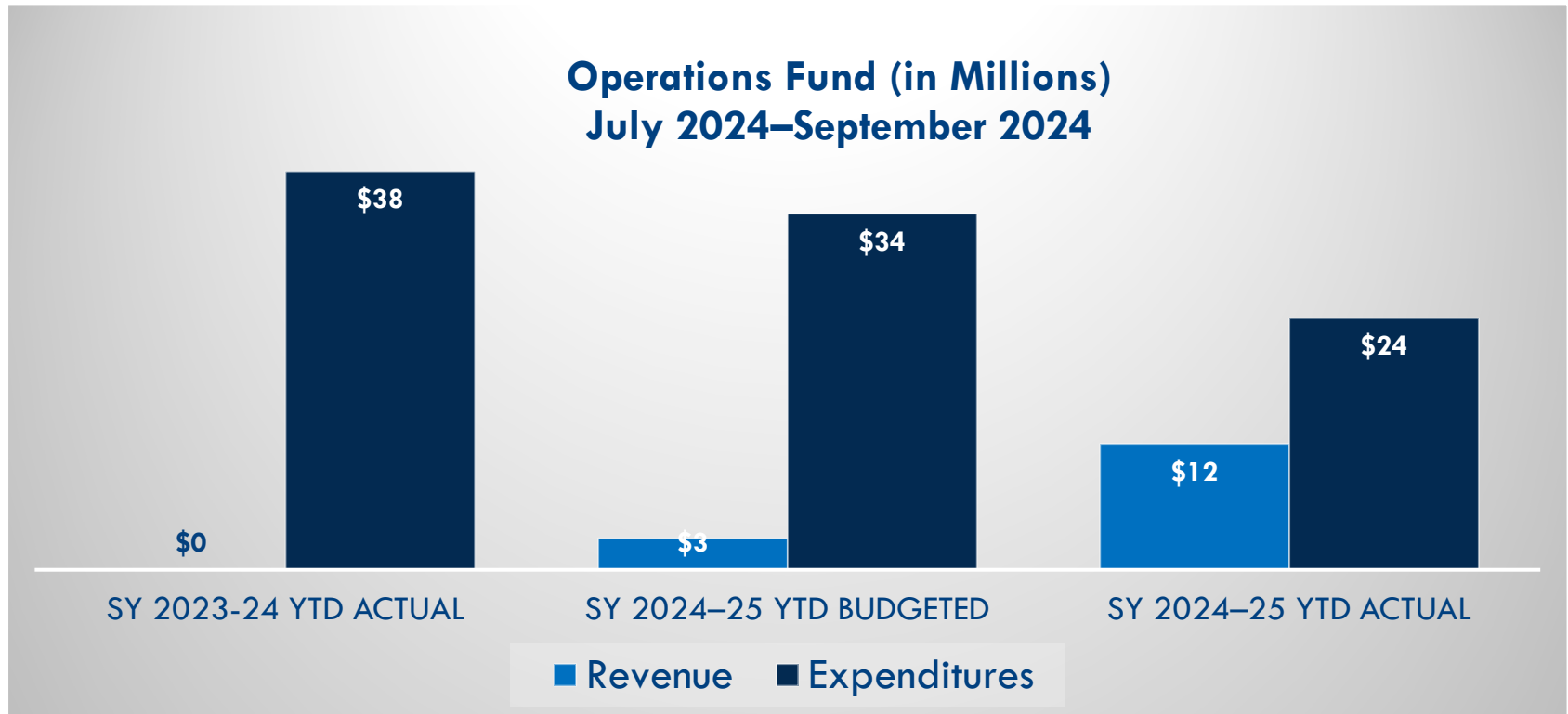
Debt Service Funds (in Millions) July 2024–September 2024



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

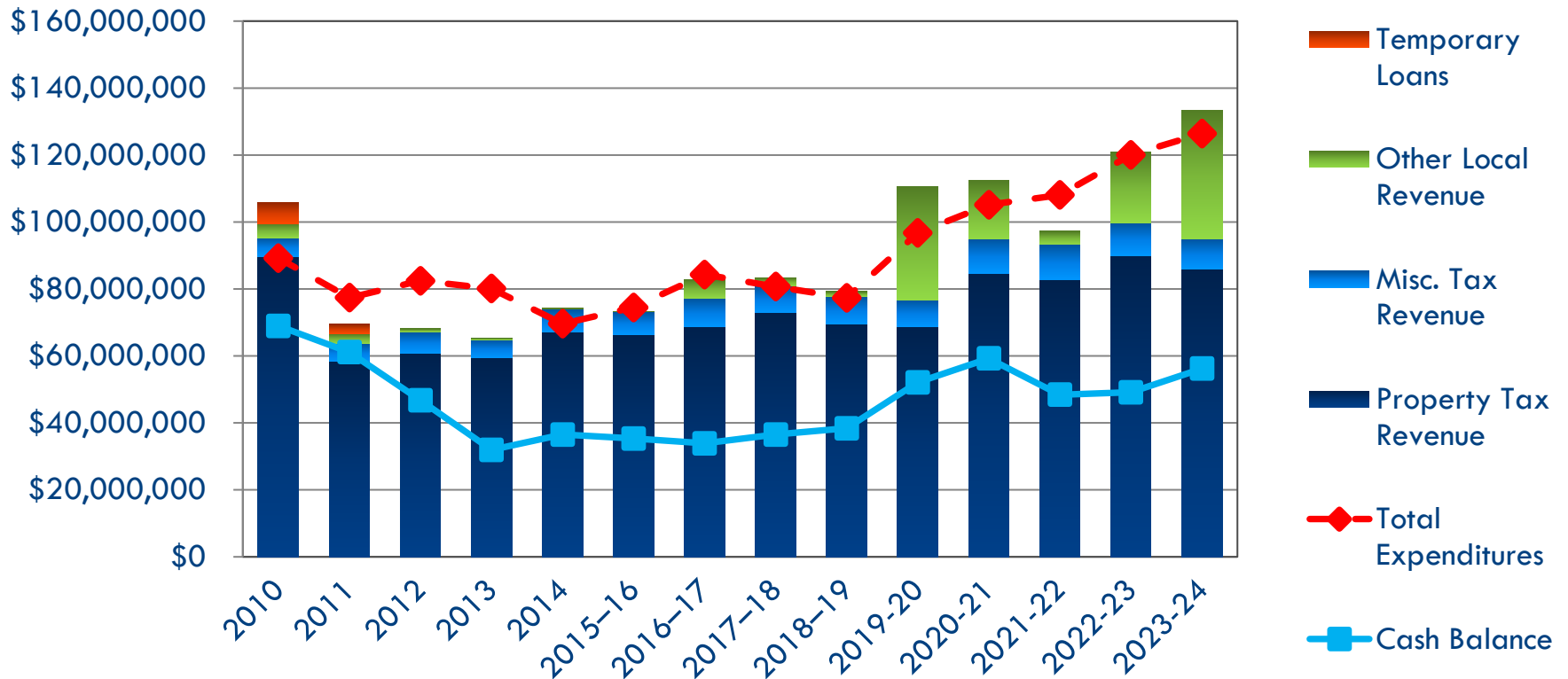
Debt Service Funds Calendar Year 2010 Through SY 2023-24





- ❑ 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 2023–24



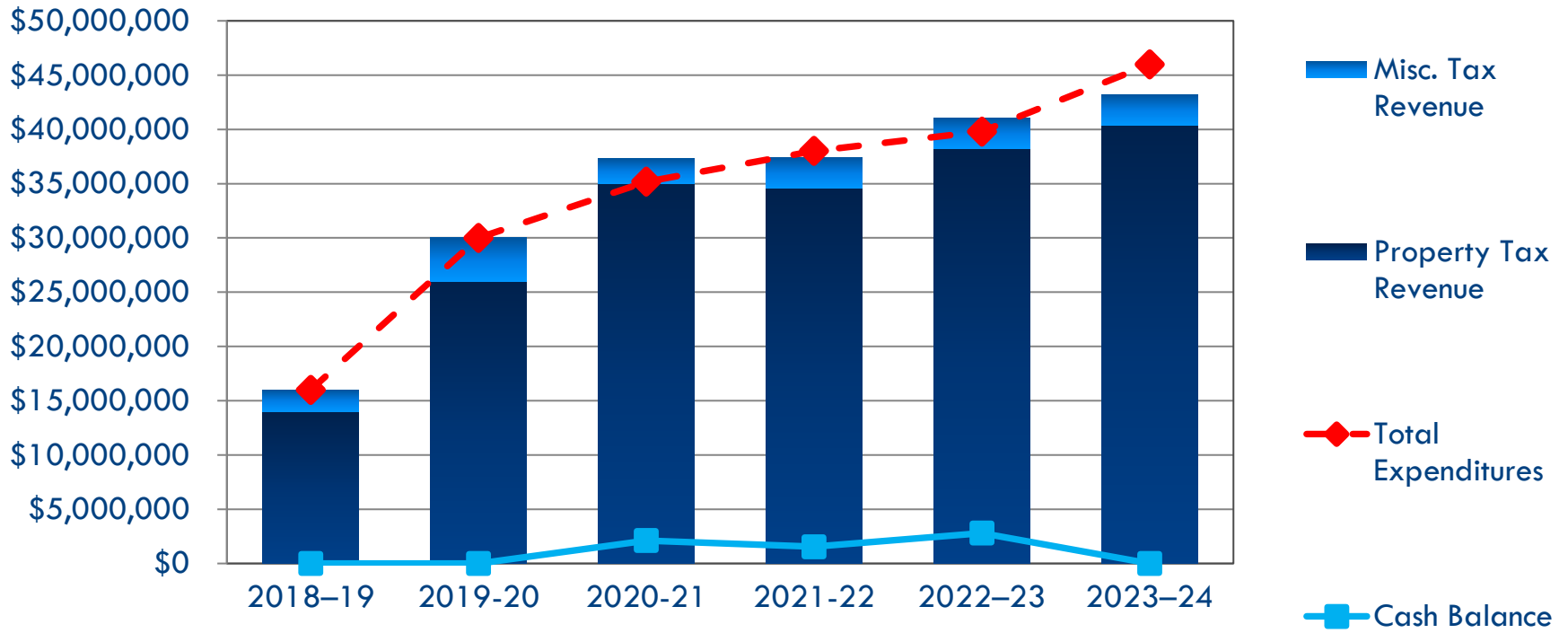
Effective July 1, 2019, "Capital Projects Fund," "Transportation Operating," and "Bus Replacement" consolidated into "Operations Fund"

Operating Referendum Fund (in Millions) July 2024–September 2024

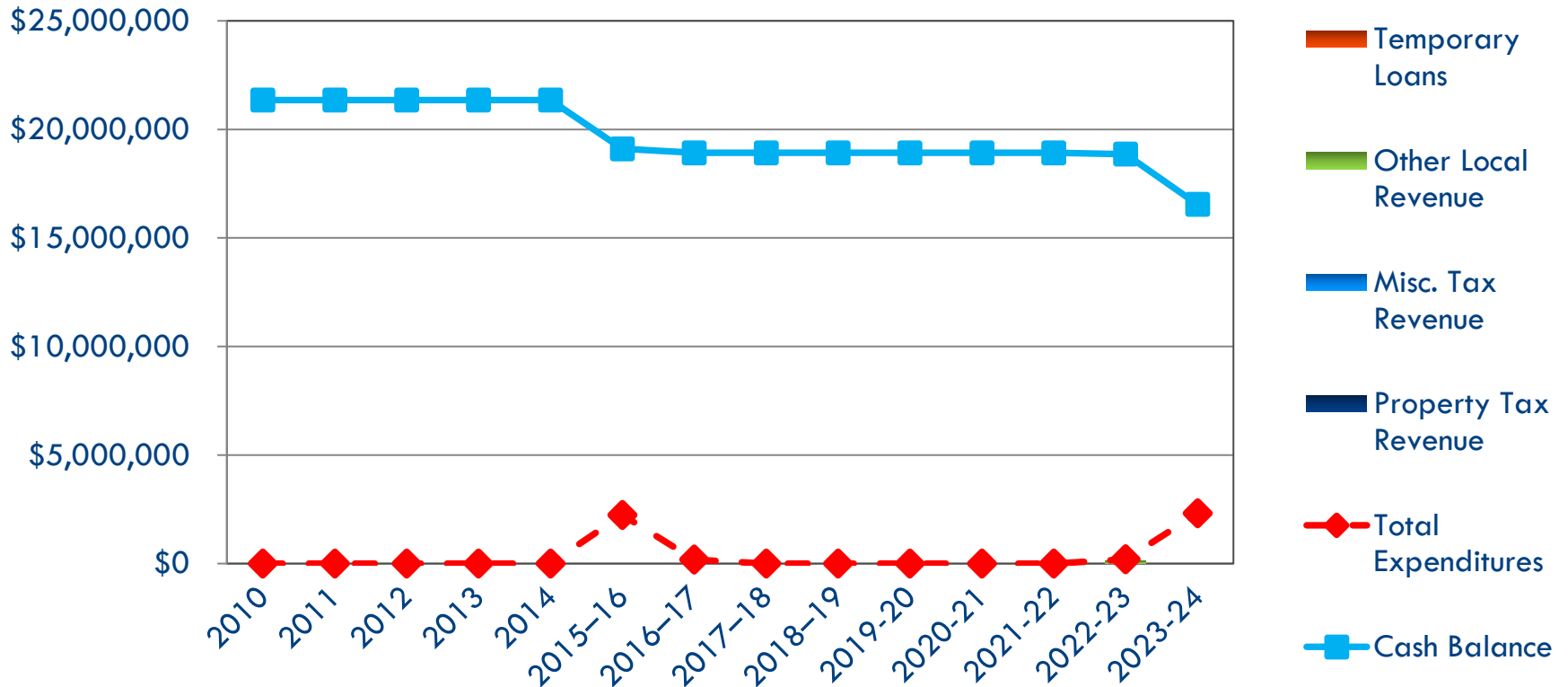


- ❑ Local property-tax revenues received semiannually
- ❑ Operating Referendum passed by voters November 2018

Operating Referendum Fund SY 2018–19 Through SY 2023–24



Rainy-Day Fund Calendar Year 2010 Through SY 2023–24



Why did we have ESSER funds?

Federal Language: *Elementary and Secondary School Emergency Relief (ESSER) funds are provided to State educational agencies and school districts to help safely reopen and sustain the safe operation of schools and address the impact of the coronavirus pandemic on the Nation's students*

IPS prioritized use of ESSER funds in alignment with federal guidance to:

1. Keep classrooms ***open*** and ***safe*** for students and teachers during this global pandemic (*including critical technology*)
2. Kick-start accelerated learning to ***recover*** and lay the groundwork for long-term ***redesign*** of underlying cost structures to address heightened student need.*

**The extent of our progress on priority #2 was dependent on the pandemic and the resulting costs incurred under priority #1.*

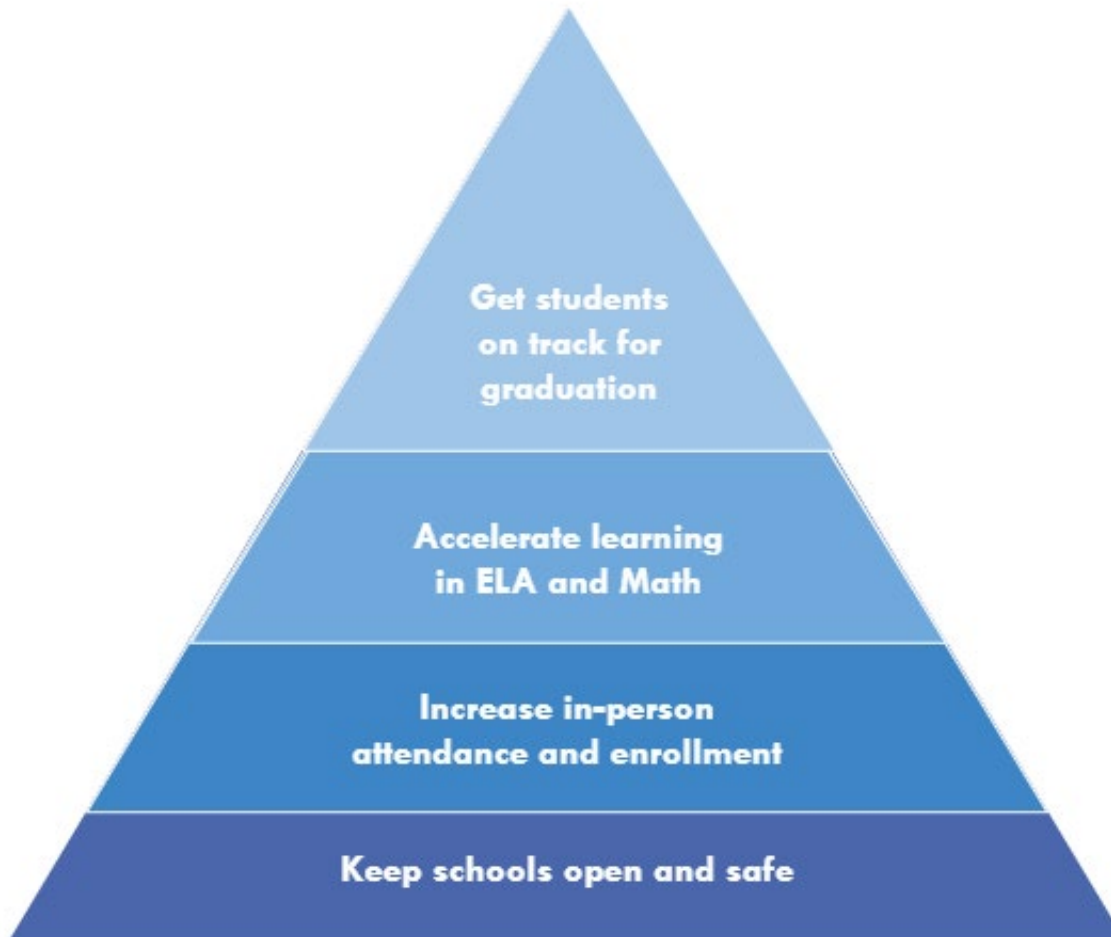
Strategic framework to inform ESSER investments

1	Invest in student learning	<ul style="list-style-type: none"> • Short term: Learning Acceleration • Long term: Create supports to strengthen Tier 1 instruction 	Strategic priority 1 and 2
2	Evolve IT infrastructure for 21st century learning	<ul style="list-style-type: none"> • Move IPS network to modernized infrastructure • Invest in staff technology needs 	Strategic priority 1 and 4
3	Invest in facilities and operational costs, prioritizing investments that promote student and staff safety	<ul style="list-style-type: none"> • PPE • Modernized central controls over building systems 	Strategic priority 4

- **Engagement opportunities with the community gathered feedback and informed our approach**
- **An [ESSER tracking tool](#) is available to transparently track approved expenditures.**

IPS set 4 ESSER goals that support these federal priorities and align to our board goals and strategic plan

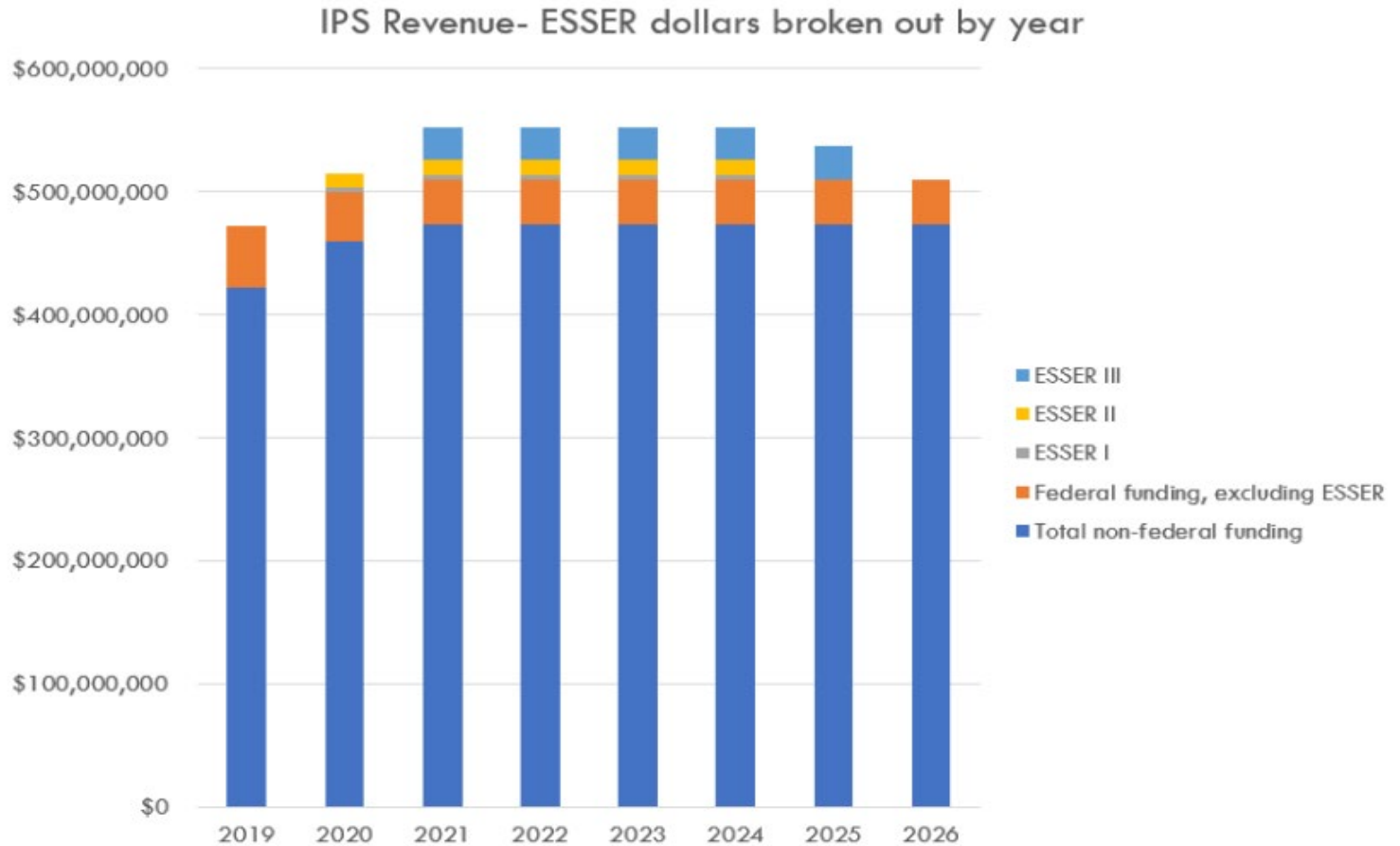
35



These goals function as a “hierarchy of needs.” For IPS students to be successful, they need to be *at school, in person, and safe*. This creates opportunities for us to *accelerate learning in core subjects, especially ELA and Math*. Accelerating learning means our students can be *on track to graduate and be set up for success in college and career*.

ESSER funding supported students along this continuum.

ESSER funding roughly doubled our federal funding, but worked out to be a max of 8% of our total revenue year over year until the spending deadline



ILLUSTRATIVE: These do not reflect detailed future IPS revenue projections

- ❑ IPS **prioritized ESSER investments** in support of our 2025 Strategic Priorities and Rebuilding Stronger efforts.
- ❑ Investments prioritized **accelerating learning in English Language Arts (ELA) and Math**, addressing the board's goals and IPS's strategic priorities.
- ❑ IPS continues to invest in **tutoring initiatives** both during and after school.

IPS Spent down ESSER funds in alignment with the strategic priorities

Final ESSER Allocation by ESSER Priority

Current ESSER Spend: \$217.2M

Total ESSER funds to be spent by 12/15/24: \$217.2M



IPS has fully spent down ESSER III funds

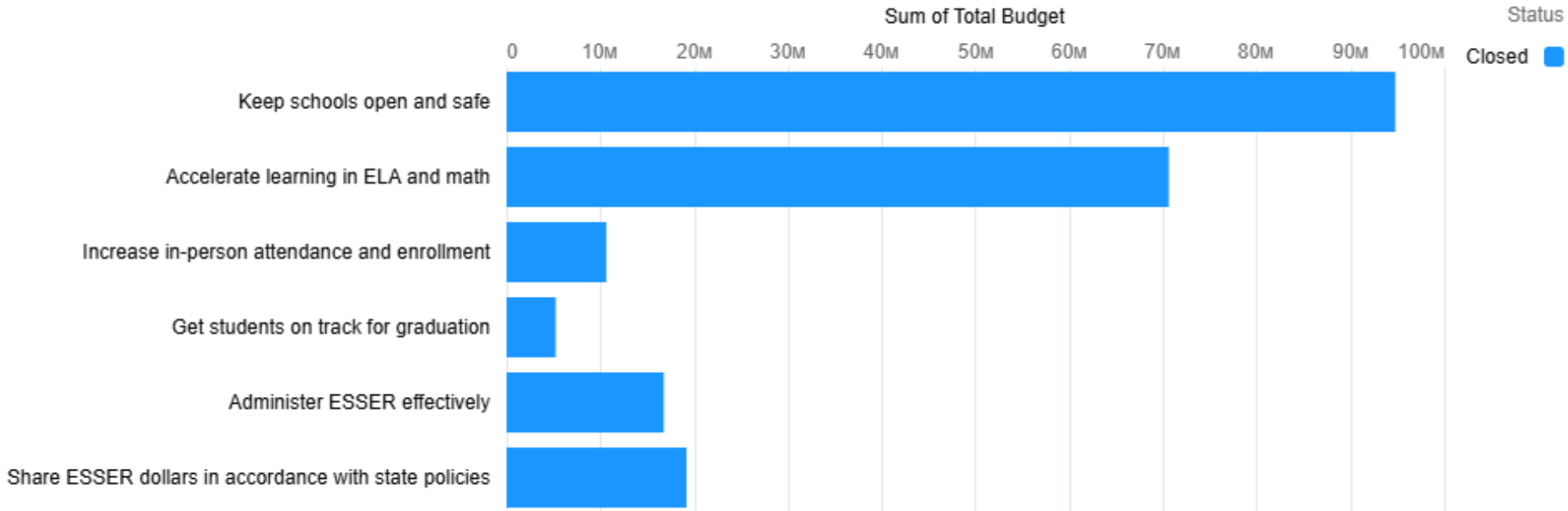
Keep Schools Open and Safe	\$94.8M	<ul style="list-style-type: none"> ● Hold staff harmless ● Nursing Services ● Associate Teachers and Parallel Subs ● Temperature & Air Quality Projects
Accelerate Learning in ELA and Math	\$70.7M	<ul style="list-style-type: none"> ● Tutoring Initiatives ● Professional Learning & Curriculum ● Emerging Schools Supports
Increase in-person attendance and enrollment	\$10.6M	<ul style="list-style-type: none"> ● Everyday Labs ● Enrichment Programs ● Community Partnerships
Get students on track for graduation	\$5.2M	<ul style="list-style-type: none"> ● Future Centers ● Grad Coaches ● Credentialing Future Ready Pathways Teachers
Administer ESSER Effectively	\$16.7M	<ul style="list-style-type: none"> ● Administrative salaries ● Indirect Costs ● Strategic Planning Support
Share Dollars in accordance with state policies	\$19.2M	<ul style="list-style-type: none"> ● Pass-through to Out-LEA Innovation Schools ● Shared Dollars to In-LEA innovation schools



All ESSER spend has been completed in alignment with the district ESSER priorities.

39

Spending Plan as of 6/30/24



“CARES Act” – ESSER 1: Passed March 2020

**Elementary & Secondary School Emergency Relief Fund
(\$21.5M for IPS Students)**

- Allocated to districts by IDOE based on a formula
 - IPS LEA and Non-public schools = \$17M
 - IPS Innovation Charter Network Schools = \$4.5M
- Application process and reimbursement of expenditures through 2022
- Flexible use for any activity currently allowed under federal education law
- **STATUS: Spending and reporting deadlines have passed. 100% of IPS-LEA Funds Spent.**

Governor’s Emergency Education Relief Fund

- Funds distributed at discretion of governor
- Permissible uses focus on higher education, however an opportunity for LEAs
 - “emergency support through grants to LEAs that the IDOE deems have been most significantly impacted by coronavirus to support the ability of the LEAs to provide educational services and support the LEA’s functionality”
- **STATUS: Spending and reporting deadlines have passed. 100% of IPS-LEA Funds Spent.**

Elementary & Secondary School Emergency Relief Fund (\$83.9M for IPS Students)

- Allocated to districts by IDOE based on a formula
 - IPS LEA = \$61.1M
 - IPS Innovation Charter Network Schools = \$22.8M
- Application process and reimbursement of expenditures through September 2023
- Flexible use for any activity currently allowed under federal education law
- **STATUS:** As of 12/31/23, \$61.1M reimbursed. Spending and reporting deadlines have passed. 100% of IPS-LEA Funds Spent.

Elementary & Secondary School Emergency Relief Fund (\$190M for IPS Students)

- Allocated to districts by IDOE based on a formula
 - IPS LEA = \$139M
 - IPS Innovation Charter Network Schools = \$51M
- Application process and reimbursement of expenditures through September 2024
- Flexible use for any activity currently allowed under federal education law
- **STATUS:** Application approved by IDOE. IPS fully spent funds to address learning loss related to COVID-19 while incorporating community feedback from Town Halls. As of 9/30/24, \$139M reimbursed or under review for IPS-LEA.

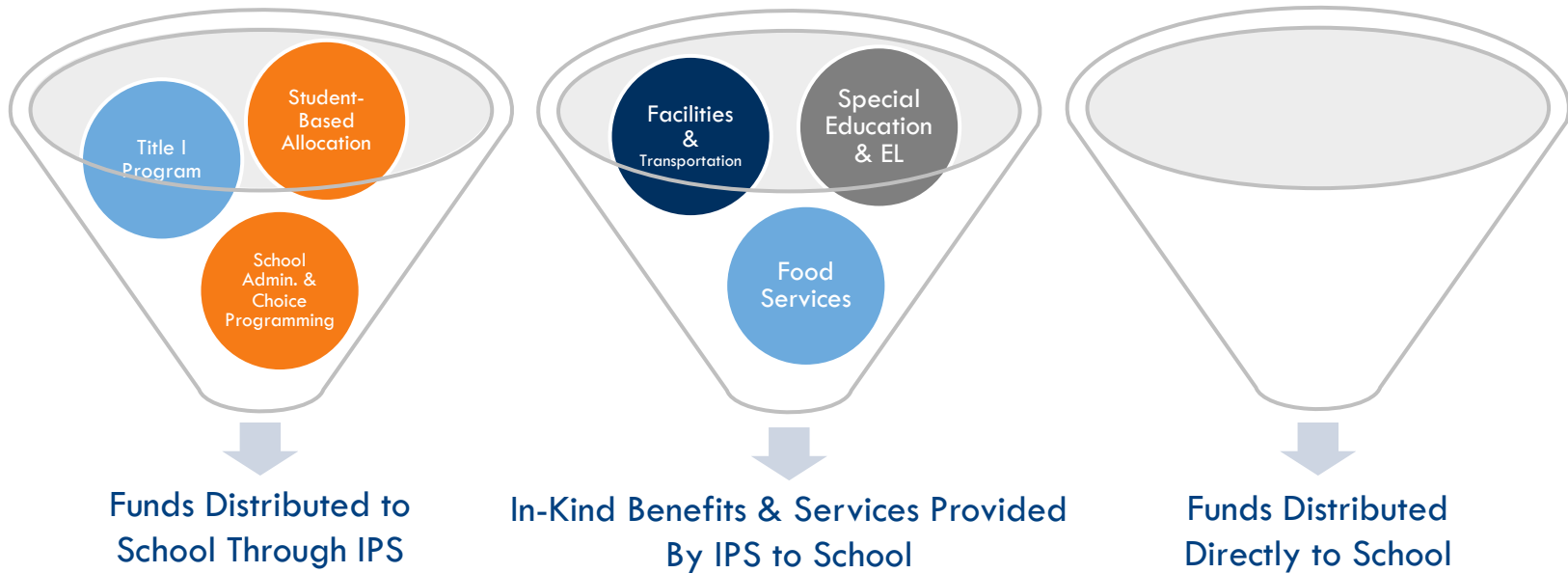
ESSER Allocations by Local Education Agency (LEA)

One-time federal stimulus funds are available to reimburse funding for initial COVID-19 response needs, return-to-school plans, learning acceleration, and instructional supports from March 13, 2020 to 2024.

ID	Description	Sept 2020 ADM	Allocations				Allocations Per Pupil			
			ESSER 1 Final	ESSER 2 Final	ESSER 3 Planning	Total	ESSER 1 Final	ESSER 2 Final	ESSER 3 Planning	Total
5385	IPS	22,216	17,034,904	60,517,963	135,914,747	213,467,614	767	2,724	6,118	9,609
8685	James & Rosemary Phalen at George Fisher	447	313,645	1,245,876	2,798,060	4,357,581	702	2,787	6,260	9,749
8950	Phalen at Francis Scott Key	451	in IPS	1,379,384	3,097,900	4,477,284	-	3,059	6,869	9,927
8980	PATH Academy at Stephen Foster	499	in IPS	1,494,333	3,356,059	4,850,391	-	2,995	6,726	9,720
9000	Phalen Virtual Leadership Academy	34	-	40,000	89,834	129,834	-	1,176	2,642	3,819
9010	Ignite Achievement Academy	398	374,476	1,503,950	3,377,659	5,256,085	941	3,779	8,487	13,206
9015	Purdue Polytechnic High School Ind	536	114,504	903,996	2,030,246	3,048,746	214	1,687	3,788	5,688
9040	Avondale Meadows Middle School	167	97,913	393,233	883,145	1,374,291	586	2,355	5,288	8,229
9090	Matchbook Learning	643	451,346	1,845,413	4,144,536	6,441,294	702	2,870	6,446	10,018
9095	Urban ACT Academy	314	241,463	941,085	2,113,543	3,296,091	769	2,997	6,731	10,497
9115	Kindezi Academy	427	210,919	933,436	2,096,364	3,240,718	494	2,186	4,910	7,590
9130	Emma Donnan Adelante	346	367,561	1,082,937	2,432,123	3,882,622	1,062	3,130	7,029	11,221
9135	KIPP Indy Legacy High	256	100,263	862,965	1,938,097	2,901,325	392	3,371	7,571	11,333
9145	Riverside High School	436	110,283	581,020	1,304,888	1,996,190	253	1,333	2,993	4,578
9365	Enlace Academy	606	362,877	1,519,521	3,412,628	5,295,026	599	2,507	5,631	8,738
9380	Christel House Academy South	673	510,251	1,965,271	4,413,721	6,889,243	758	2,920	6,558	10,237
9400	KIPP Indy College Prep Middle	371	333,739	1,285,421	2,886,874	4,506,034	900	3,465	7,781	12,146
9410	KIPP Indy Unite Elementary	636	401,444	1,821,302	4,090,385	6,313,130	631	2,864	6,431	9,926
9650	Herron High School	949	163,567	812,752	1,825,325	2,801,644	172	856	1,923	2,952
9651	The Hope Academy, Inc.	20	-	40,000	89,834	129,834	-	2,000	4,492	6,492
9701	Paramount School of Excellence Virtual Academy	-	-	40,000	89,834	129,834	-	-	-	-
9702	Herron Preparatory Academy	-	-	40,000	89,834	129,834	-	-	-	-
9954	Phalen at Louis B. Russell	211	-	683,642	1,535,363	2,219,005	-	3,240	7,277	10,517
9975	Global Preparatory Academy	585	305,007	1,354,227	3,041,401	4,700,635	521	2,315	5,199	8,035
	Total	31,221	21,494,161	83,287,726	187,052,400	291,834,287	688	2,668	5,991	9,347
	IPS Totals	22,216	17,034,904	60,517,963	135,914,747	213,467,614	767	2,724	6,118	9,609
	IPS Innovation Network Charter Schools	9,005	4,459,257	22,769,763	51,137,652	78,366,673	495	2,529	5,679	8,703

Example: Traditional & Innovation LEA School Funding

Local • State • Federal Combination





Example Allotments for SY 2024–25

45

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			-
Total:			\$1,924,960

Through SBA

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

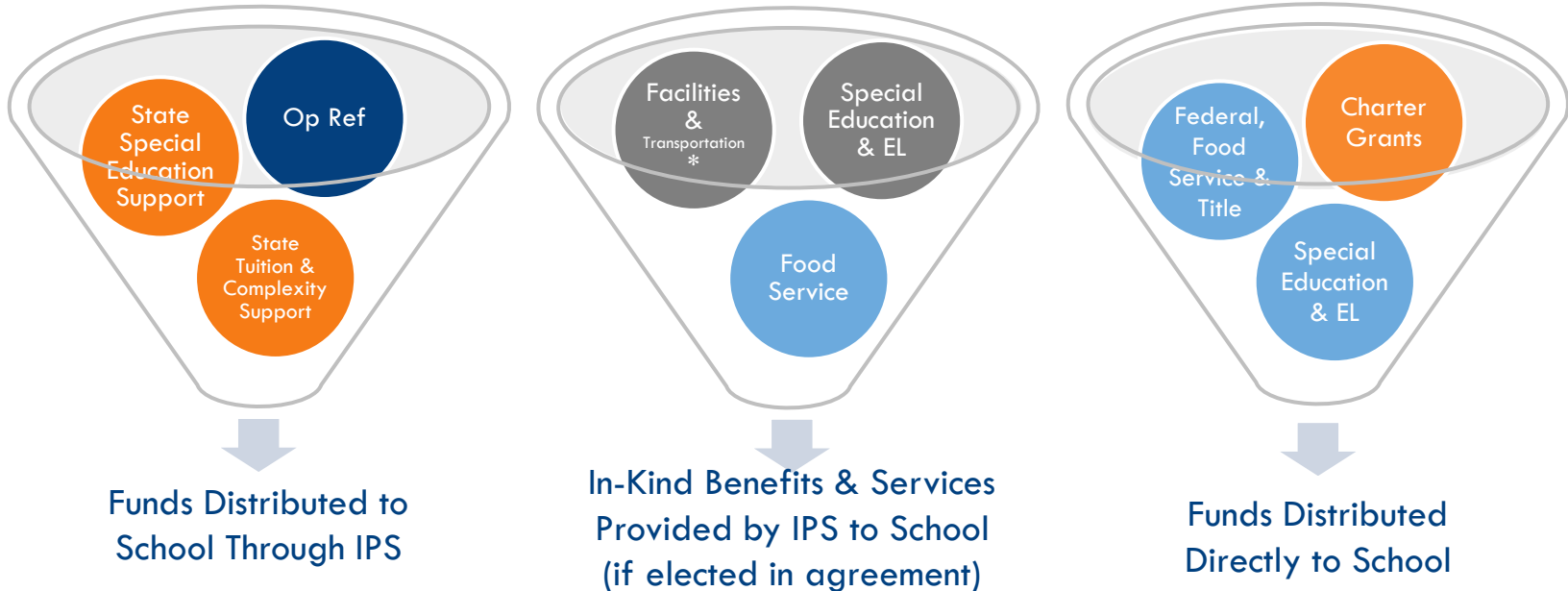
Locked Resources (not comprehensive)	
Custodial Services	\$120,338
Food Service	\$218,695
Special Education	\$342,000
English Learners	\$78,987
School Admin. and Central Services	\$253,251
Choice Programming	\$0
Transportation Services	\$400,695
Facilities Maintenance	\$500,695
Total:	\$1,915,000

Outside SBA

**Local • State • Federal
Combination**

Example: Innovation-Non-LEA School Funding

Local • State • Federal Combination



*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.

Example: Innovation-Non-LEA School Funding

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
Total:			\$3,045,856

Per-Pupil Agreement

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

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
Total:	\$1,893,961

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	
Students First	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.
Racial Equity	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.
Continuous Improvement	We endeavor to get better and achieve more through hard work and continuous learning, both as individuals and as a system.
Integrity	We hold ourselves to the highest possible standards of professionalism and service and communicate with candor and care.
Community	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

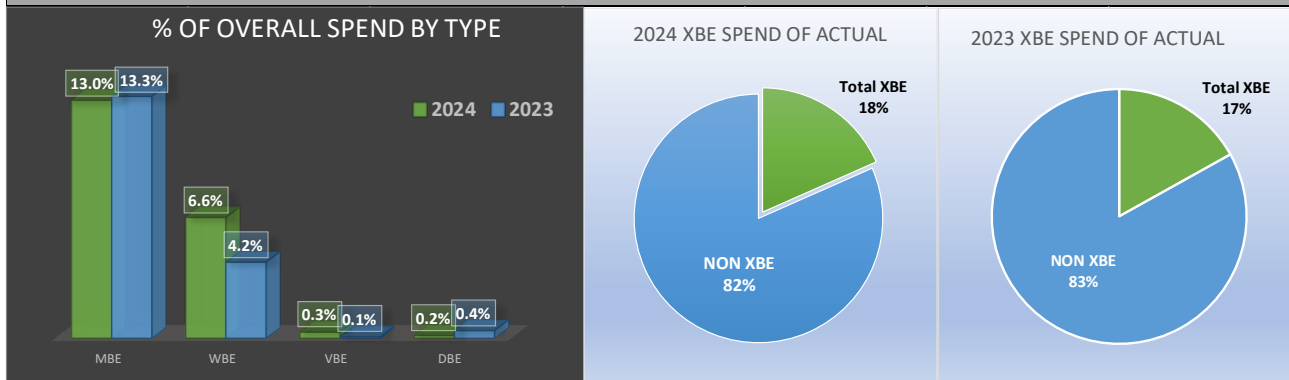
SPENDING TYPE	Q1 2024	Q2 2024	Q3 2024	Q4 2024	2024 YTD TOTAL	2023 YTD TOTAL
Total XBE Actual	\$ 7,460,264	\$ 11,262,861	\$ 13,644,829		\$ 32,367,954	\$ 24,194,904
NON XBE	\$ 32,898,523	\$ 46,364,467	\$ 64,478,126		\$ 143,741,115	\$ 118,898,675
TOTAL	\$ 40,358,787	\$ 57,627,328	\$ 78,122,955	\$ -	\$ 176,109,070	\$ 143,093,579

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 2024	Q2 2024	Q3 2024	Q4 2024	2024 YTD TOTAL	2023 YTD TOTAL
MBE	\$ 6,415,890	\$ 8,952,831	\$ 7,604,131		\$ 22,972,852	\$ 18,967,077
VBE	\$ 63,370	\$ 16,391	\$ 518,407		\$ 598,167	\$ 122,623
WBE	\$ 1,787,722	\$ 3,225,413	\$ 6,650,234		\$ 11,663,369	\$ 5,960,403
DBE	\$ 50,642	\$ 41,683	\$ 172,359		\$ 264,684	\$ 607,261

2024 to 2023 Comparison



Top 5 Vendors 2024 YTD		Top 5 Vendors 2023	
POWERS-DAVIS JV, MBE	\$ 7,174,165	TUTORED BY TEACHERS, MBE	\$ 9,030,580
TUTORED BY TEACHERS, MBE	\$ 5,874,682	DNO INC, MBE	\$ 2,018,340
SCHMIDT ASSOCIATES, WBE	\$ 3,647,511	METICULOUS DESIGN, MBE	\$ 1,841,922
DNO INC, MBE	\$ 2,091,425	EDUSERVICE, WBE	\$ 860,358
BUSINESS FURNITURE, WBE	\$ 1,728,252	WEBER AND ASSOCIATES, WBE	\$ 744,626

QUANTITY OF VENDORS USED 2024		QUANTITY OF VENDORS USED 2023	
XBE VENDORS USED	140	XBE VENDORS USED	131
TOTAL VENDORS USED	1033	TOTAL VENDORS USED	1011

Vendor Outreach & Engagement

- Host and Attend events to cultivate relationships and share IPS projects
- Hosted 9 outreach meetings reaching 20-100 vendors per event
- Participated in over 50 External Stakeholder events

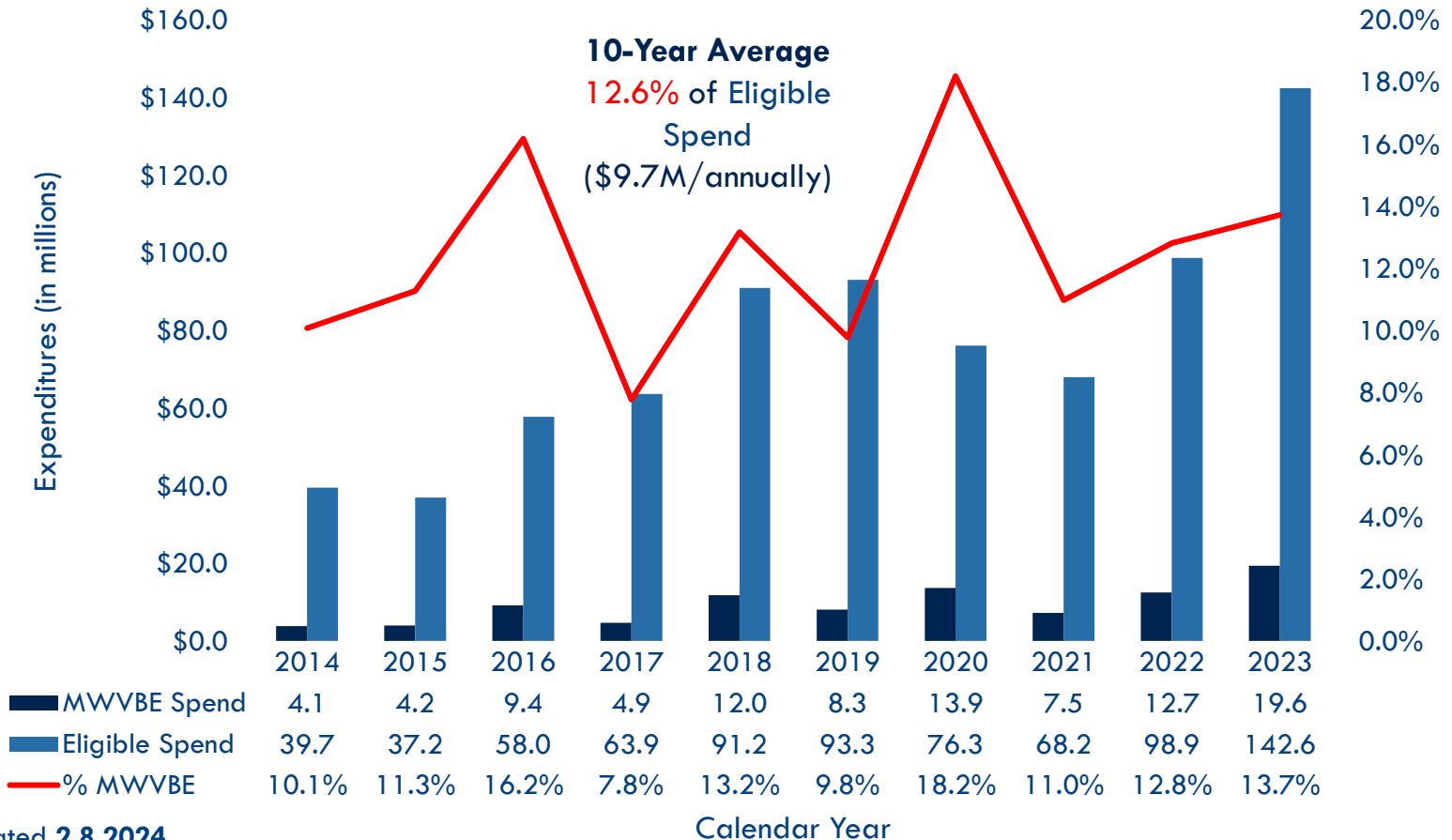
Vendor Reporting & Disparity Study

- In partnership with [City of Indianapolis – Engaged with BBC Research & Consulting](#)
- Community Engagement, Process & Data Review, and Recommendations
- Final Report anticipated Spring 2025

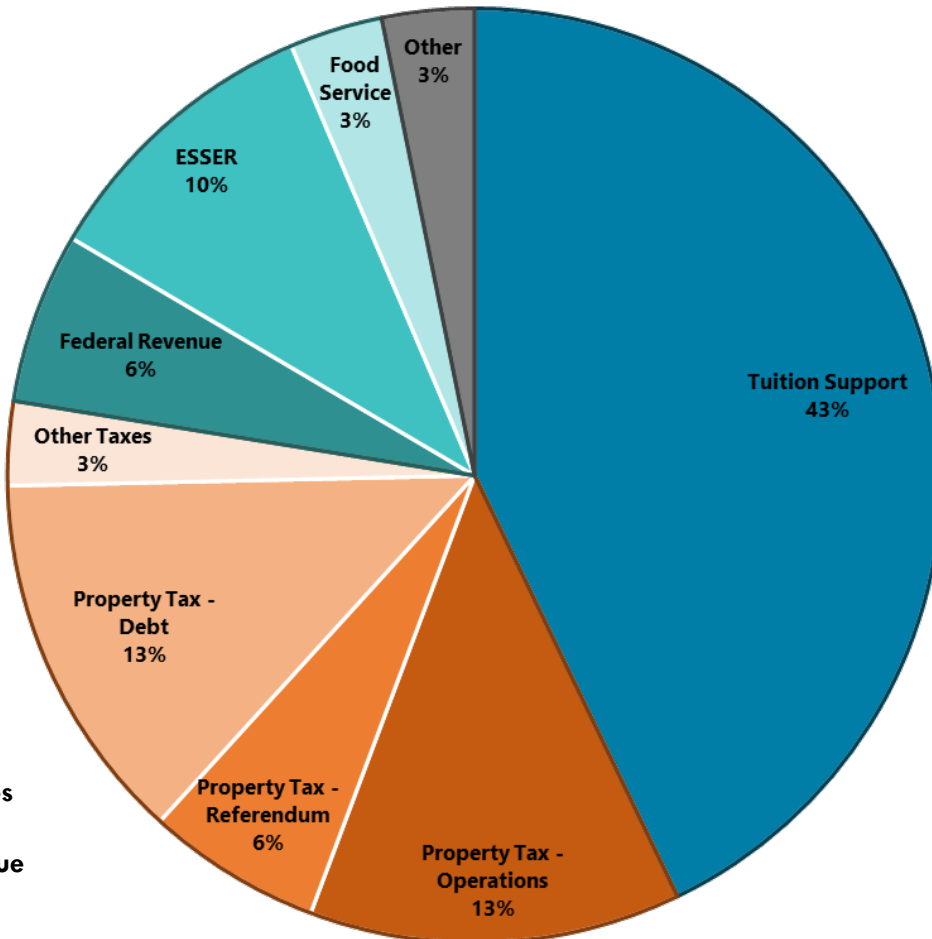
Workforce Development

- 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

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



Composition of IPS Revenue (SY 2024)

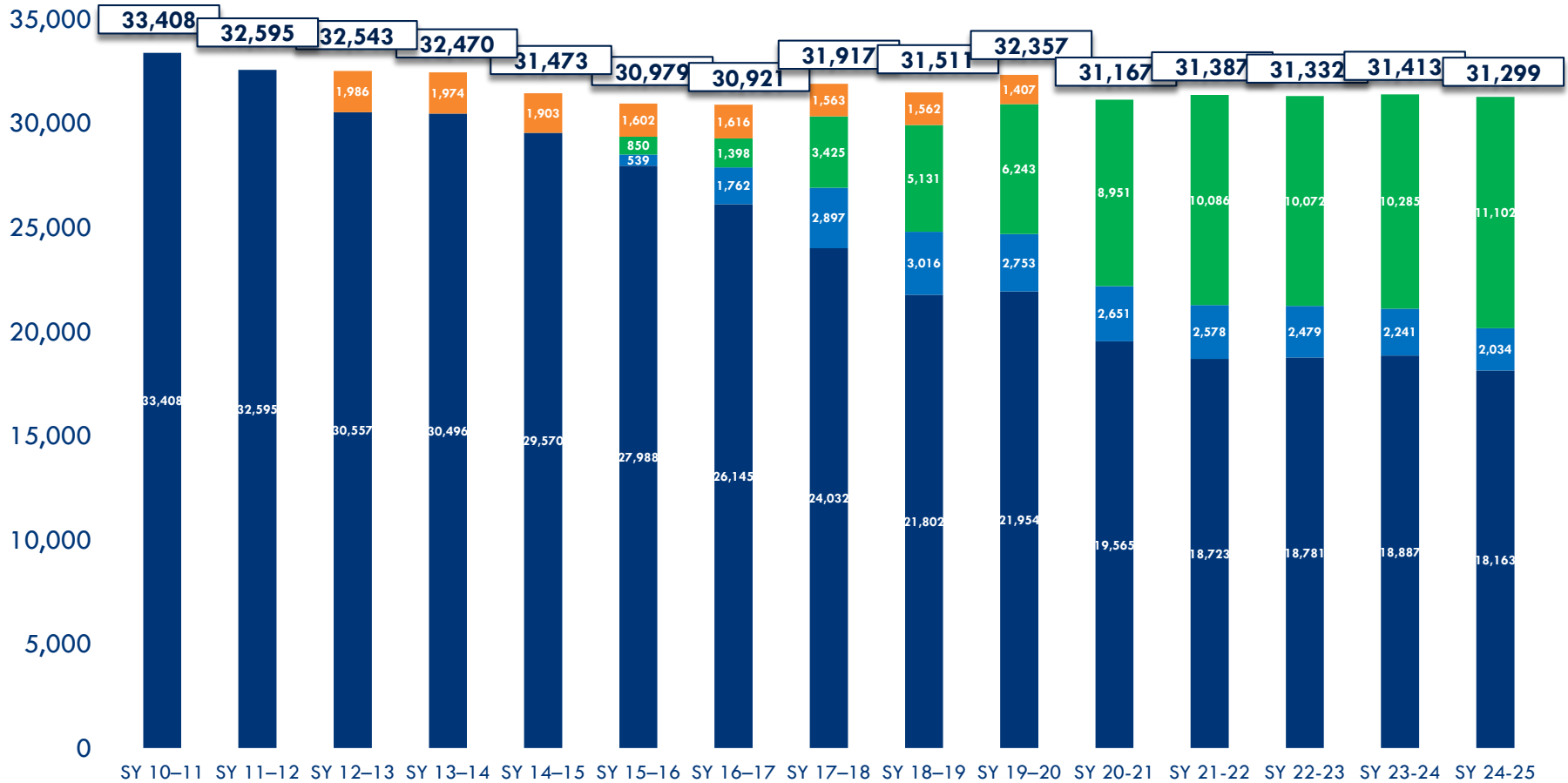


Property Taxes and Local Taxes total 35% of SY2024 Revenue

- State Tuition Support totaled 43% of IPS revenue in SY 2024.
- Property Taxes and other local taxes totaled 35% of IPS revenue in SY 2024.
- Federal Funding and other revenue sources totaled 22% of SY 2024 revenue.
- ESSER funding is a one-time grant revenue source and cannot support ongoing operations.

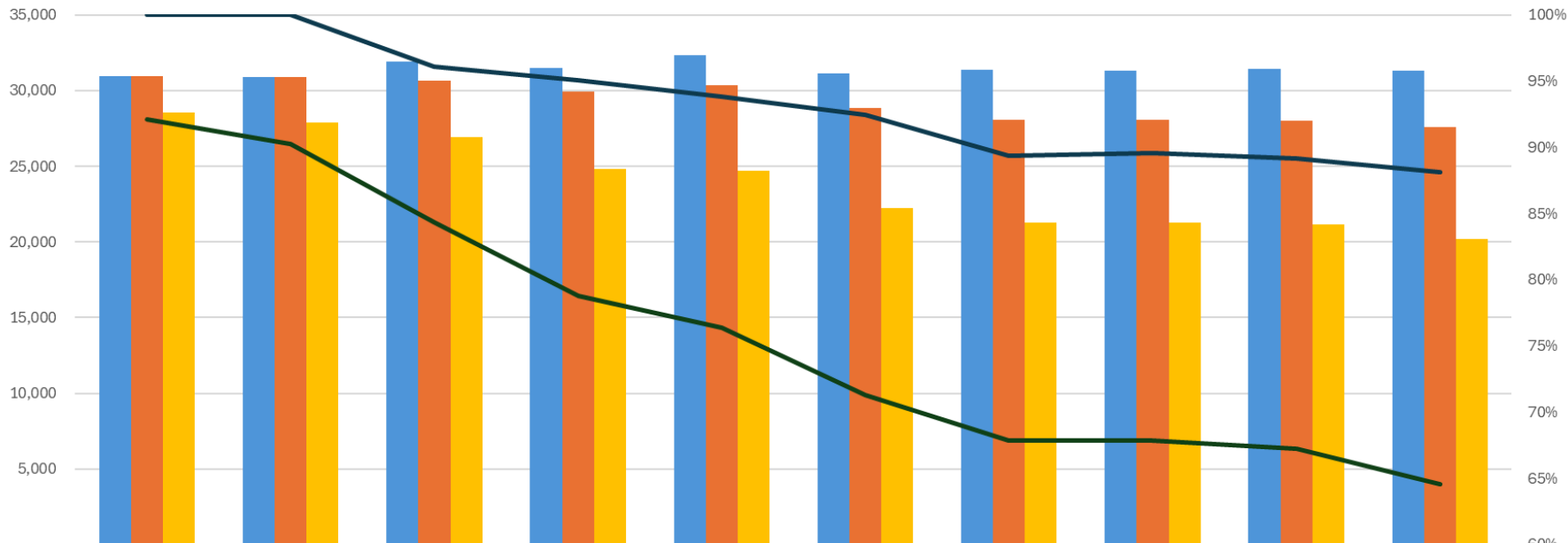
Historical Perspective: Enrollment

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.



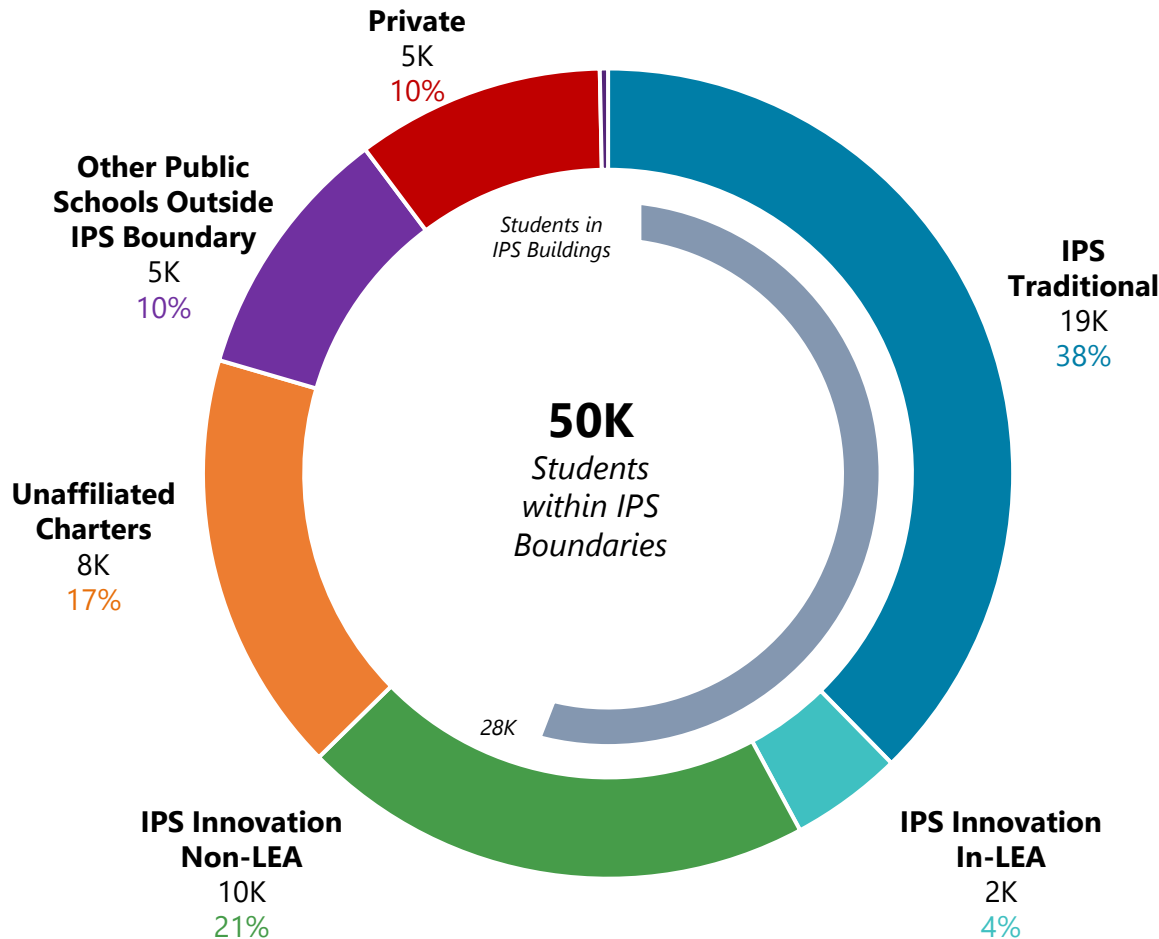
ADM for IPS Accountability has increased since SY 2015-16. Over same time period, **ADM supported by operational services** such as Facilities, Transportation, IT has decreased, but not as much as **ADM of IPS-LEA**. When IPS develops the Annual Budget for Schools, Staff, and Services, initiatives & 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	31,299
In IPS Building	30,979	30,921	30,670	29,947	30,357	28,827	28,042	28,065	28,014	27,576
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

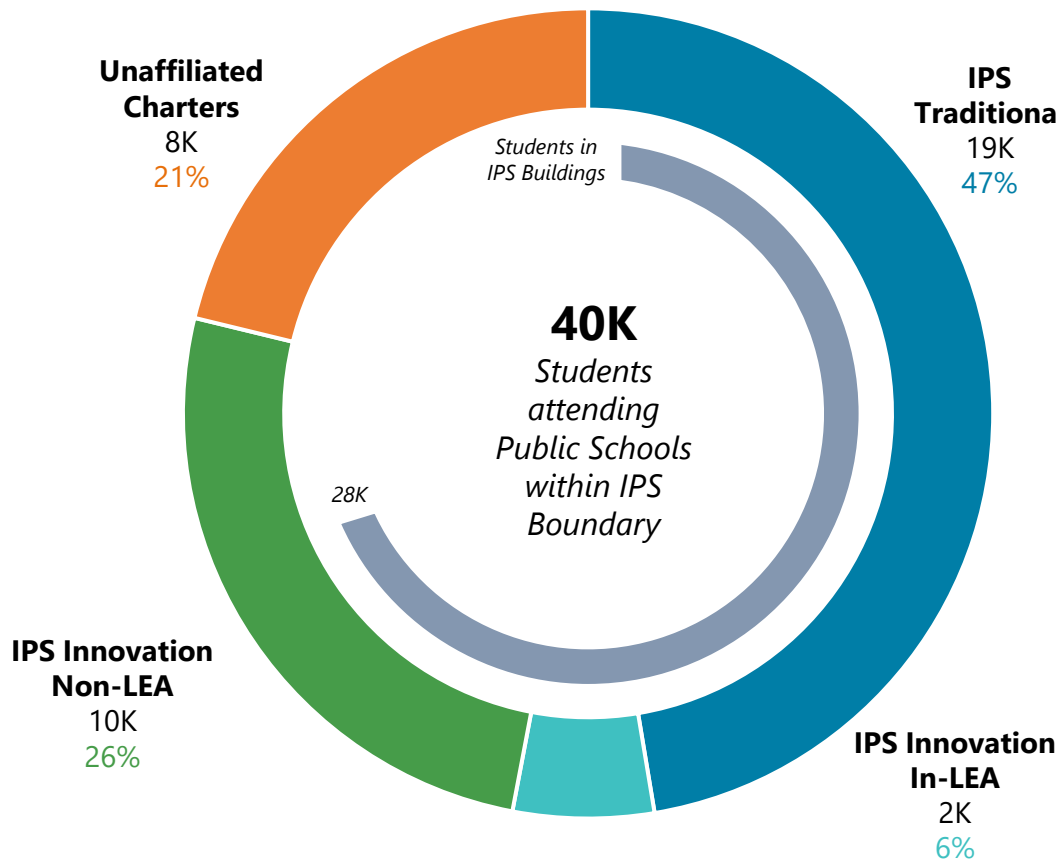


Discussions around school funding depend on the number of students

- **“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

Discussions around school funding depend on the number of students



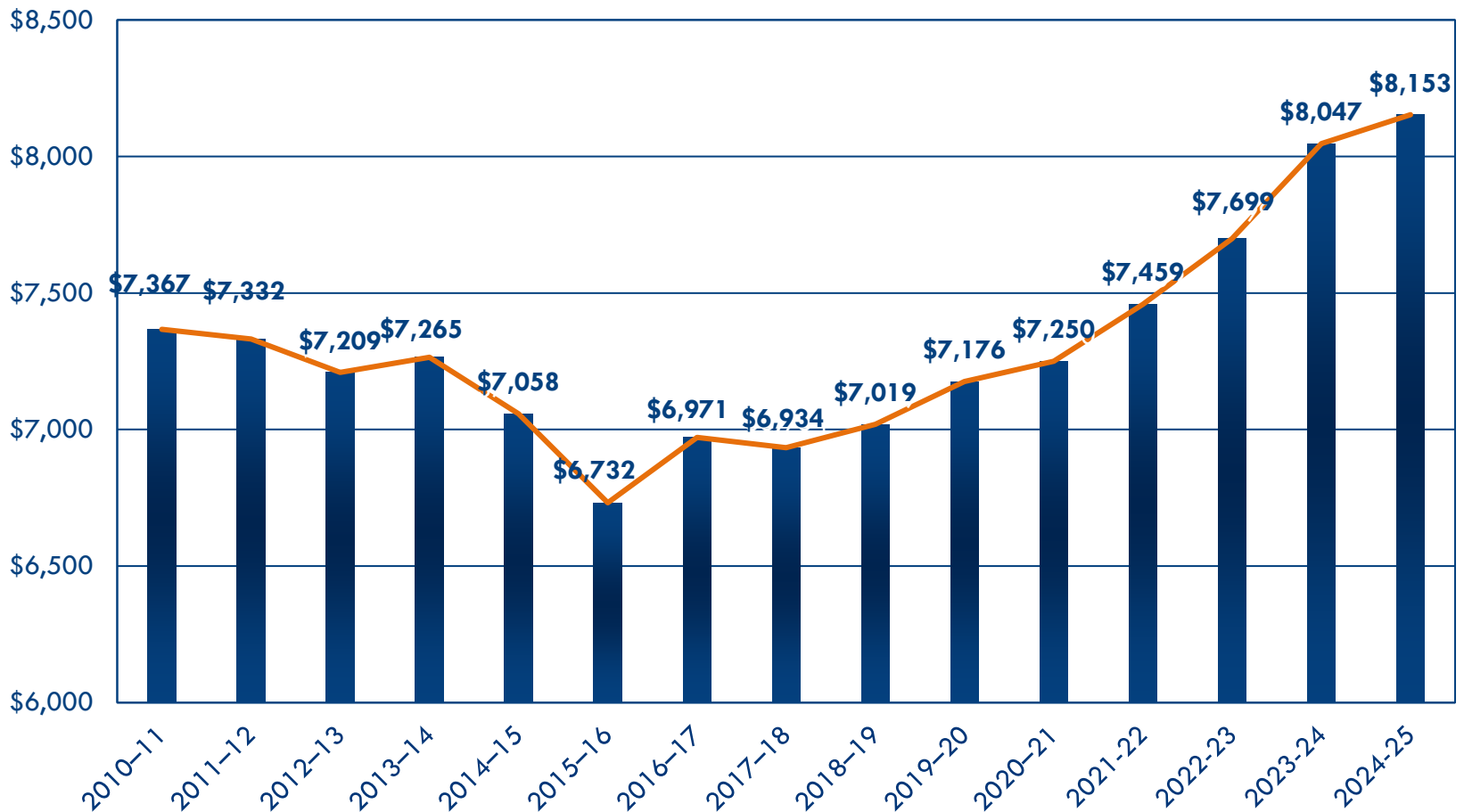
- **“20k”** → IPS Federal and State Reporting → “IPS-LEA”
- **“28k”** → Supported by IPS Operations → “IPS Operations”
- **“30k”** → IPS Accountability → “IPS Innovation Network”
- **“40k”** → IPS Boundary Public School Students → “IPS Boundary”

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

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

- ❑ 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

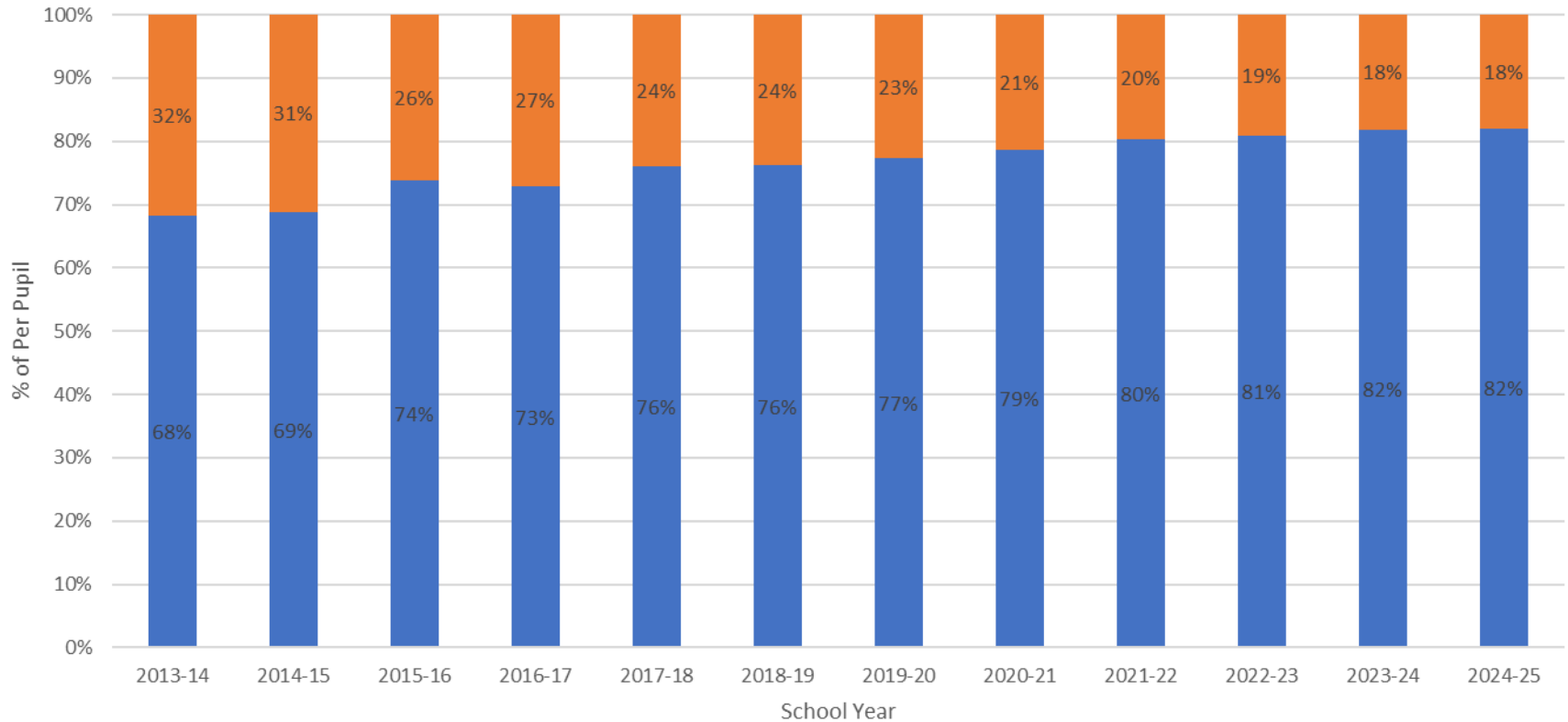
Over the past decade, IPS per pupil funding has been impacted by State Funding Formula priorities.



Historical Perspective: State Fund Budget \$ Per Pupil

The % of the Total Tuition Support made up between Foundation & Complexity has shifted consistently over time to more Foundation and less Complexity.

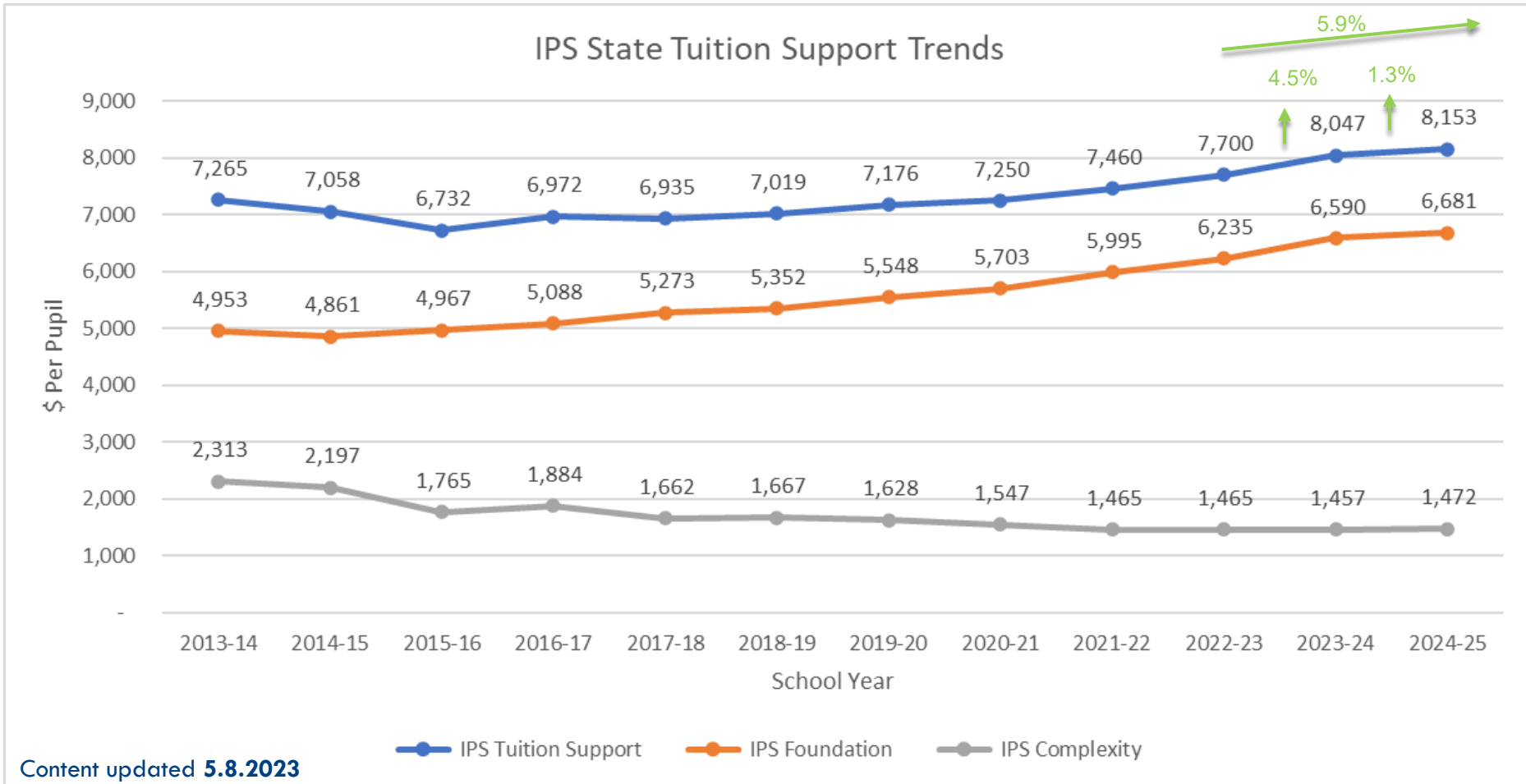
IPS State Tuition Support Trends



■ IPS % Foundation ■ IPS % Complexity

Historical Perspective: State Fund Budget \$ Per Pupil

IPS State Tuition Support per Pupil is projected to increase by 5.9% from SY 2022-23 to SY 2024-25



Content updated **5.8.2023**

Note: **BASED ON FY 2023 THROUGH FY 2025 Conference Committee SCHOOL FORMULA SIMULATION [RELEASED 4/28/23](#)**



Long-Term Budget Planning

62

2023 Legislative Budget - State Fund Budget \$ Per Pupil

The past 2 state budgets have exhibited trends to prioritize funding Foundation funding (equal amount to all students) vs. Complexity Funding (based on need)

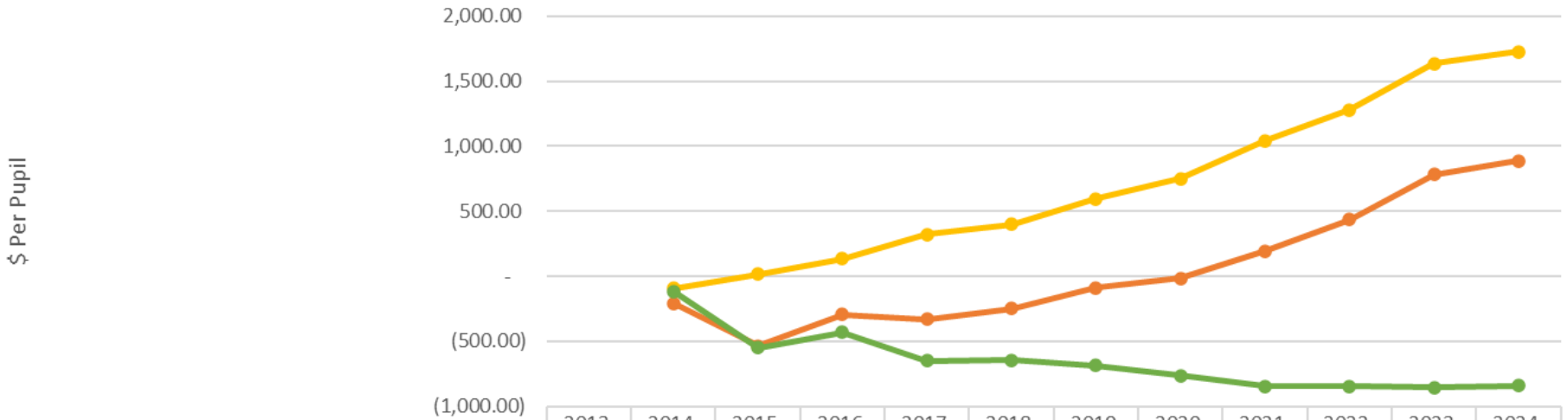
IPS will continue to advocate for equitable & adequate funding for all students

District	\$ per Pupil			Complexity Index %			\$ per Pupil % Change		
	SY 2022-23	SY 2023-24	SY 2024-25	SY 2022-23	SY 2023-24	SY 2024-25	22-23 to 23-24	23-24 to 24-25	22-23 to 24-25
Marion	7,841	8,307	8,416	43%	43%	43%	5.9%	1.3%	7.3%
IPS	7,699	8,047	8,153	39%	37%	37%	4.5%	1.3%	5.9%
South Bend	7,619	7,962	8,067	37%	34%	34%	4.5%	1.3%	5.9%
Richmond	7,511	7,961	8,066	34%	34%	34%	6.0%	1.3%	7.4%
Kokomo	7,482	7,943	8,048	33%	34%	34%	6.2%	1.3%	7.6%
MSD Warren	7,522	7,870	7,974	34%	32%	32%	4.6%	1.3%	6.0%
Beech Grove	7,302	7,727	7,830	28%	29%	29%	5.8%	1.3%	7.2%
Fort Wayne	7,332	7,699	7,802	29%	28%	28%	5.0%	1.3%	6.4%
MSD Wayne	7,195	7,648	7,750	25%	27%	27%	6.3%	1.3%	7.7%
MSD Decatur	7,204	7,629	7,730	26%	26%	26%	5.9%	1.3%	7.3%
MSD Lawrence	7,160	7,584	7,685	25%	25%	25%	5.9%	1.3%	7.3%
MSD Pike	7,174	7,578	7,679	25%	25%	25%	5.6%	1.3%	7.1%
MSD Perry	7,174	7,549	7,650	25%	24%	24%	5.2%	1.3%	6.6%
Evansville	7,147	7,462	7,562	24%	22%	22%	4.4%	1.3%	5.8%
Logansport	6,947	7,446	7,546	19%	21%	21%	7.2%	1.3%	8.6%
Crawfordsville	7,105	7,438	7,538	23%	21%	21%	4.7%	1.3%	6.1%
MSD Washington	7,035	7,421	7,521	21%	21%	21%	5.5%	1.3%	6.9%
Washington	7,067	7,384	7,483	22%	20%	20%	4.5%	1.3%	5.9%
Indiana Average	6,923	7,289	7,385	18%	18%	18%	5.3%	1.3%	6.7%
Martinsville	6,865	7,258	7,356	17%	17%	17%	5.7%	1.3%	7.2%
Paoli	6,975	7,196	7,293	20%	15%	15%	3.2%	1.4%	4.6%
Speedway	6,848	7,170	7,267	16%	15%	15%	4.7%	1.4%	6.1%
Franklin Township	6,698	7,110	7,206	12%	13%	13%	6.1%	1.4%	7.6%
Centerville-Abington	6,753	7,080	7,176	14%	12%	12%	4.8%	1.4%	6.3%
Penn Harris-Madison	6,535	6,876	6,970	8%	7%	7%	5.2%	1.4%	6.7%
Danville	6,522	6,836	6,929	8%	6%	6%	4.8%	1.4%	6.2%
Brownsburg	6,453	6,816	6,909	6%	6%	6%	5.6%	1.4%	7.1%
Hamilton Southeastern	6,377	6,747	6,839	4%	4%	4%	5.8%	1.4%	7.3%
Carmel Clay	6,334	6,682	6,774	3%	2%	2%	5.5%	1.4%	6.9%
Zionsville	6,279	6,632	6,724	1%	1%	1%	5.6%	1.4%	7.1%

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 \$1,728 more Foundation Funding and \$841 less Complexity Funding.

IPS State Tuition Support Trends



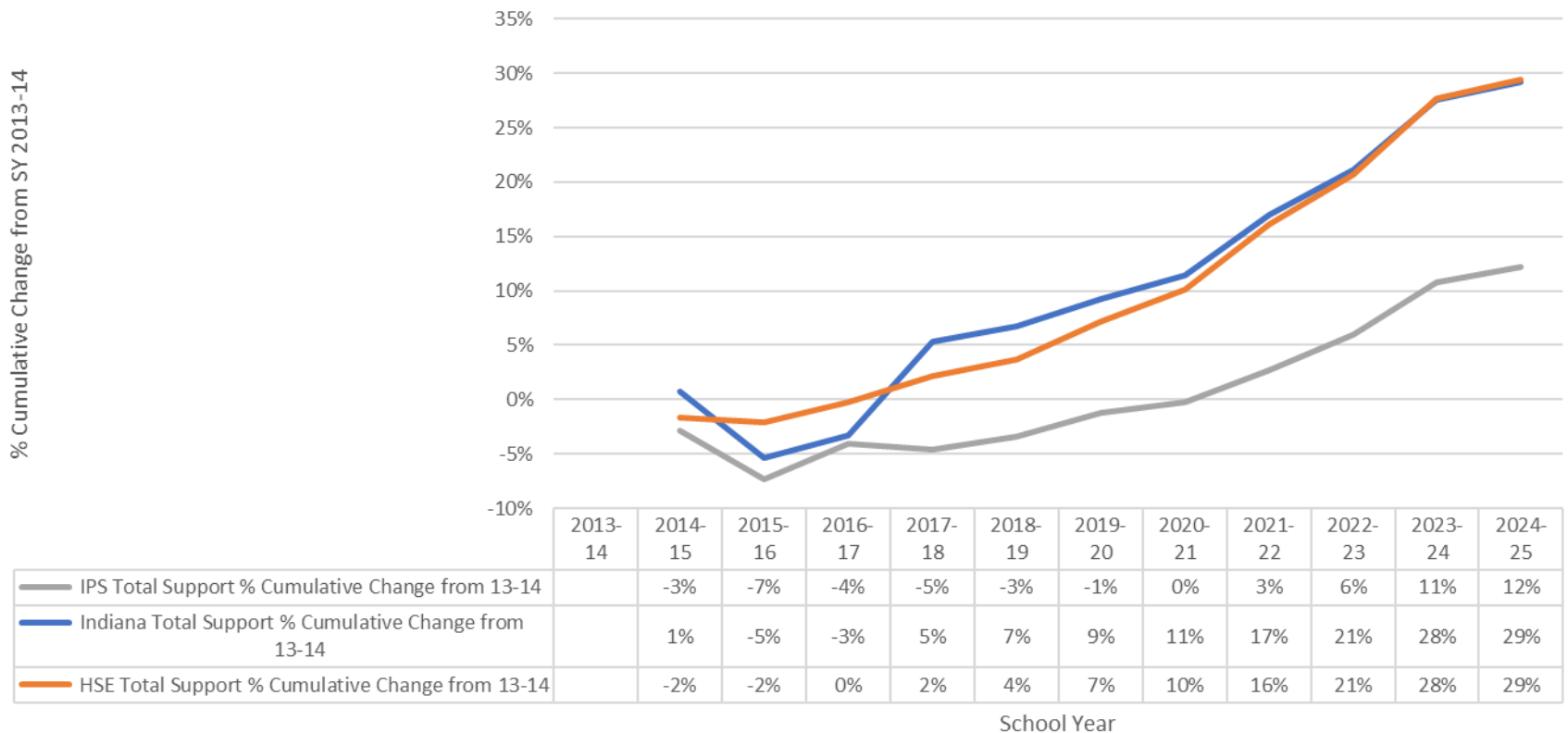
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
IPS Total Support \$ Cumulative Change from 13-14		(207)	(534)	(294)	(331)	(247)	(90)	(16)	195	435	781	887
IPS Foundation \$ Cumulative Change from 13-14		(91)	14	135	320	399	595	750	1,042	1,282	1,637	1,728
IPS Complexity \$ Cumulative Change from 13-14		(116)	(548)	(429)	(651)	(646)	(685)	(766)	(847)	(847)	(856)	(841)

School Year

Historical Perspective: State Fund Budget \$ Per Pupil

The Total Tuition Support for IPS has increased 12% since SY 2013-14, while over the same time the Indiana Average has increased 29%. Districts with significantly less poverty than IPS have experienced increases similar to the Indiana Average.

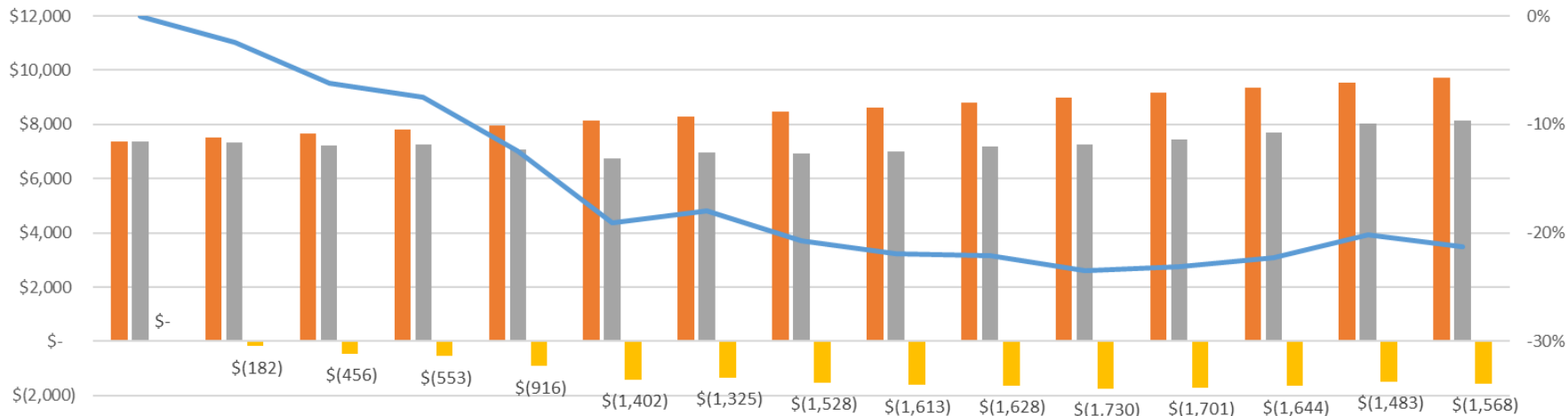
IPS State Tuition Support Trends



Historical Perspective: State Fund Budget \$ Per Pupil

If IPS funding in SY 2010-11 had experienced 2% inflationary growth through SY 2024-25, IPS would be receiving around \$1,600 per pupil more than the past few years.

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

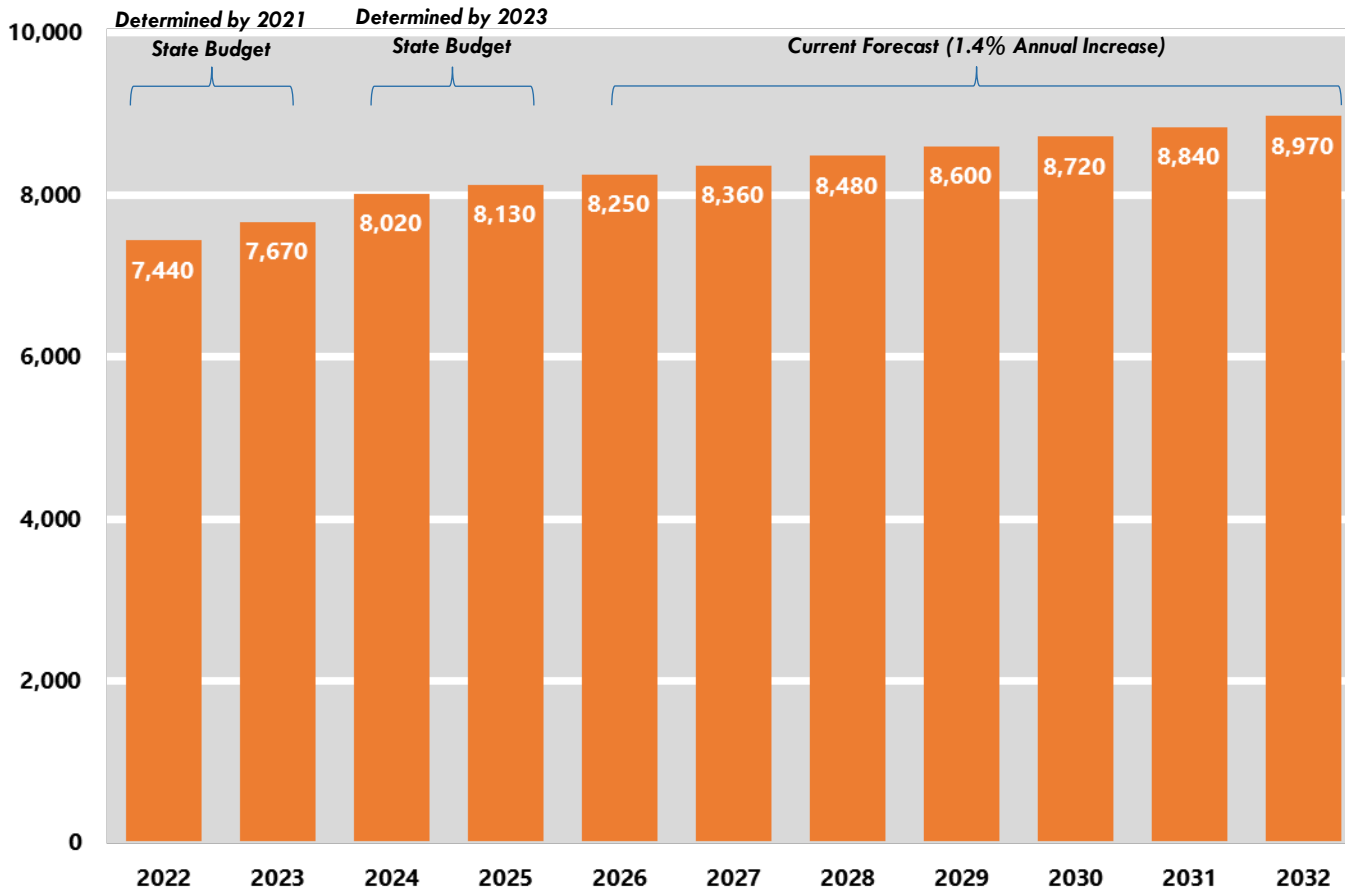


	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
2011 + Inflation	\$7,367	\$7,514	\$7,665	\$7,818	\$7,974	\$8,134	\$8,296	\$8,462	\$8,632	\$8,804	\$8,980	\$9,160	\$9,343	\$9,530	\$9,721
Actual	\$7,367	\$7,332	\$7,209	\$7,265	\$7,058	\$6,732	\$6,971	\$6,934	\$7,019	\$7,176	\$7,250	\$7,459	\$7,699	\$8,047	\$8,153
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)
Diff %	-	-2%	-6%	-8%	-12%	-19%	-18%	-21%	-22%	-22%	-23%	-23%	-22%	-20%	-21%

■ 2011 + Inflation
 ■ Actual
 ■ Diff per pupil
 — Diff %

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 2023 State Budget included per student funding increases for IPS: 4.6% in 2024 and 1.4% in 2025.
- Tuition Support growth is conservatively projected at 1.4% annually going forward.



Long-Term Budget Planning

67

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%	31,415	\$ 299,384,951	\$ 252,796,505	\$ (46,588,446)	\$ (509,476,210)	\$ (39,190,478)
2025	\$ 9,721	\$ 8,153	\$ (1,568)	-21%	31,415	\$ 305,372,650	\$ 256,126,495	\$ (49,246,155)	\$ (558,722,365)	\$ (39,908,740)

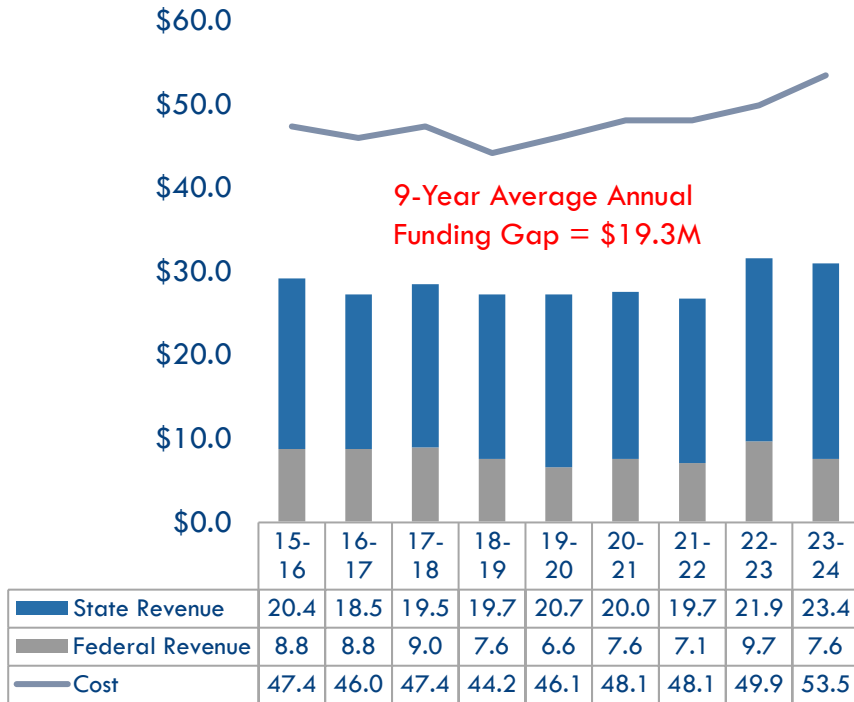
IPS students deserve better treatment from Indiana's School Funding Formulas.

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.

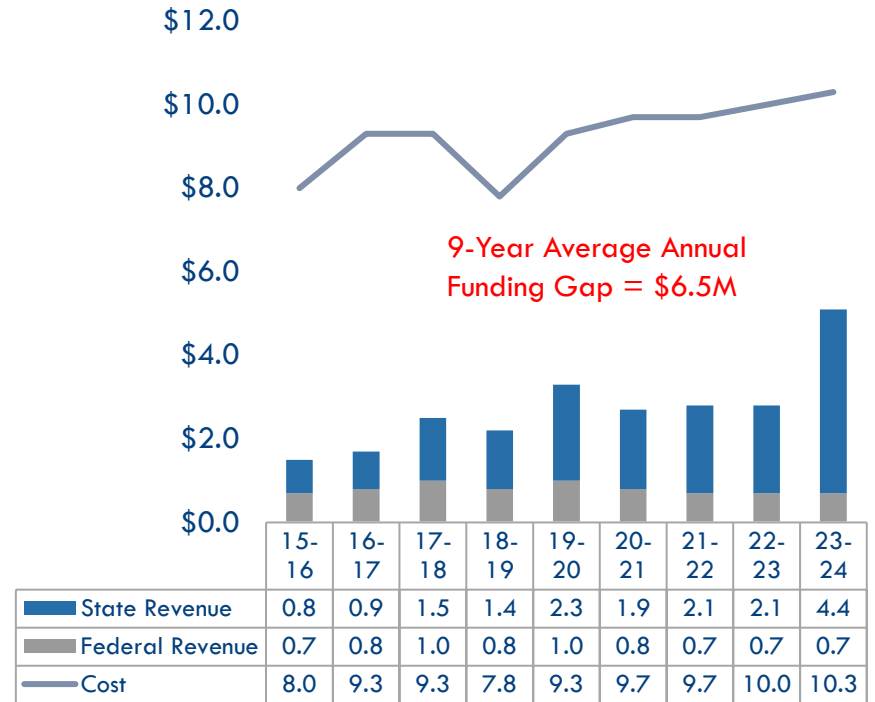
Funding Gap For Students With Special Needs

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 94% of complexity index funding.

SPED Funding & Cost (in millions)



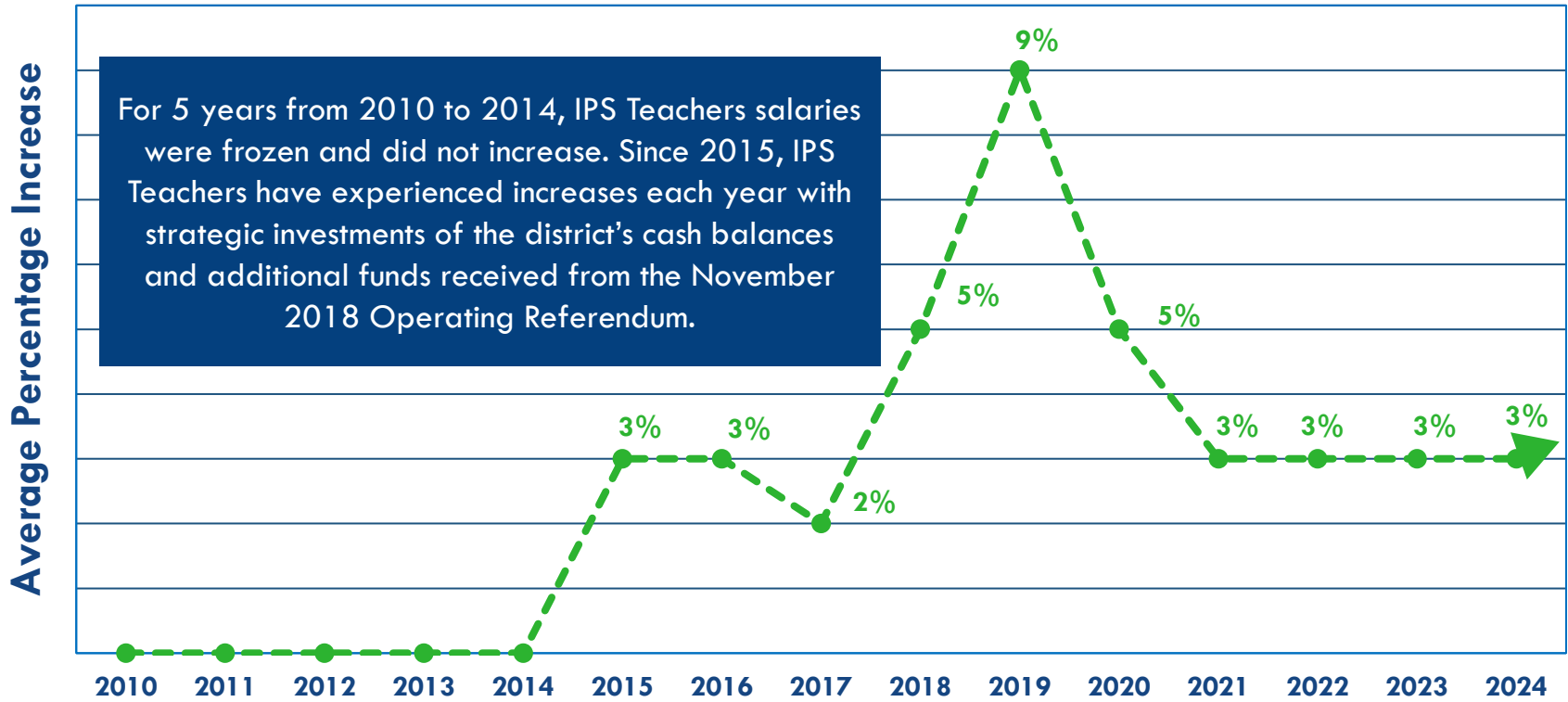
ELL Funding & Cost (in millions)



Expenditures for special education and English language learners encroach on General/Education Fund budget allocations, capturing around 16% of state tuition support or 94% of complexity index funding.

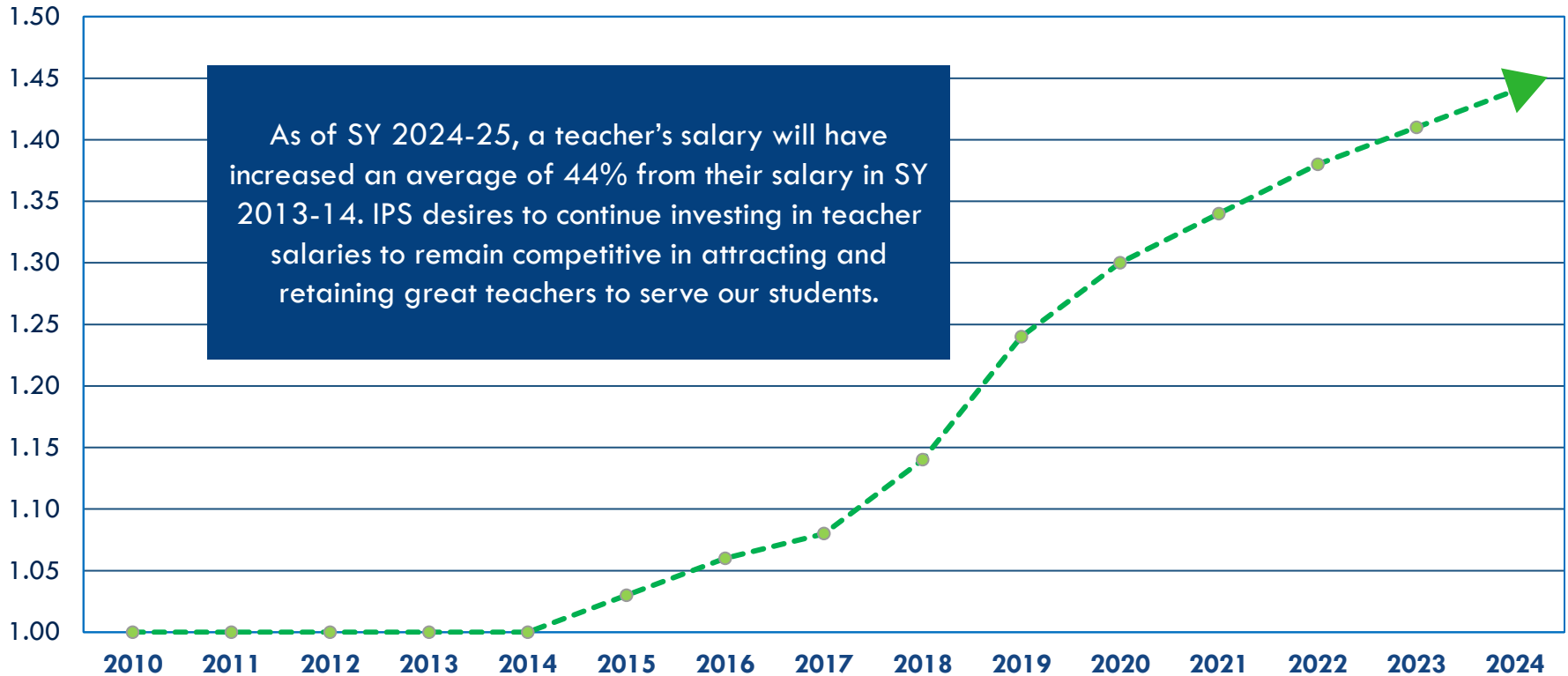
SY 2023–24	Special Education	English Language Learners	Total
Federal Funds	\$7,618,680	\$745,254	\$8,363,934
State Funds	\$23,395,299	\$4,418,642	\$27,813,941
Total Revenue	\$31,013,979	\$5,163,896	\$36,177,875
Total Cost	(\$53,496,483)	(\$10,331,803)	(\$63,828,286)
Total Gap Paid by Education Fund	(\$22,482,504)	(\$5,167,907)	(\$27,650,411)

Teacher Compensation



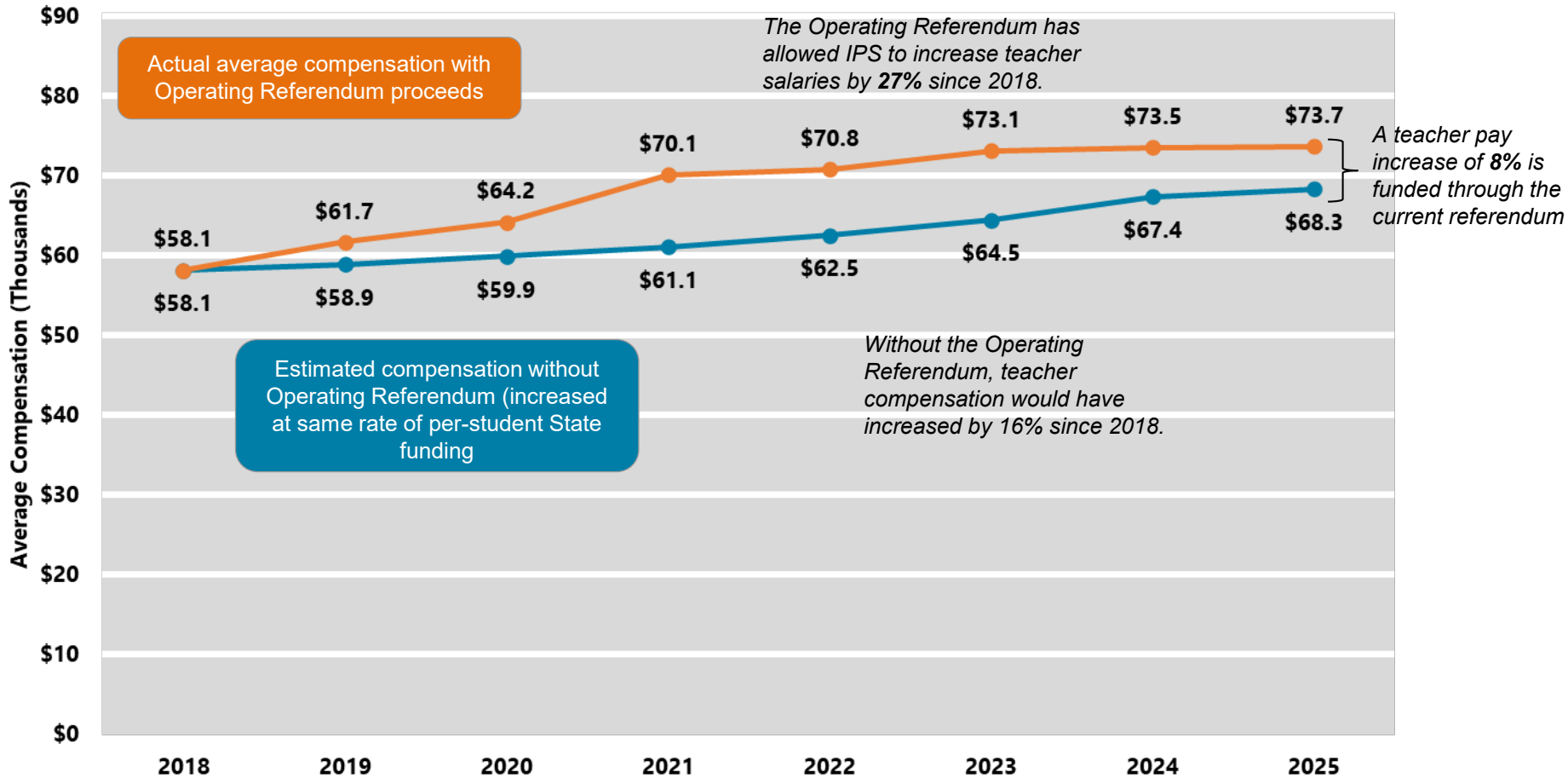
Year of Collective Bargaining Agreement

Teacher Compensation – Indexed Growth



Year of Collective Bargaining

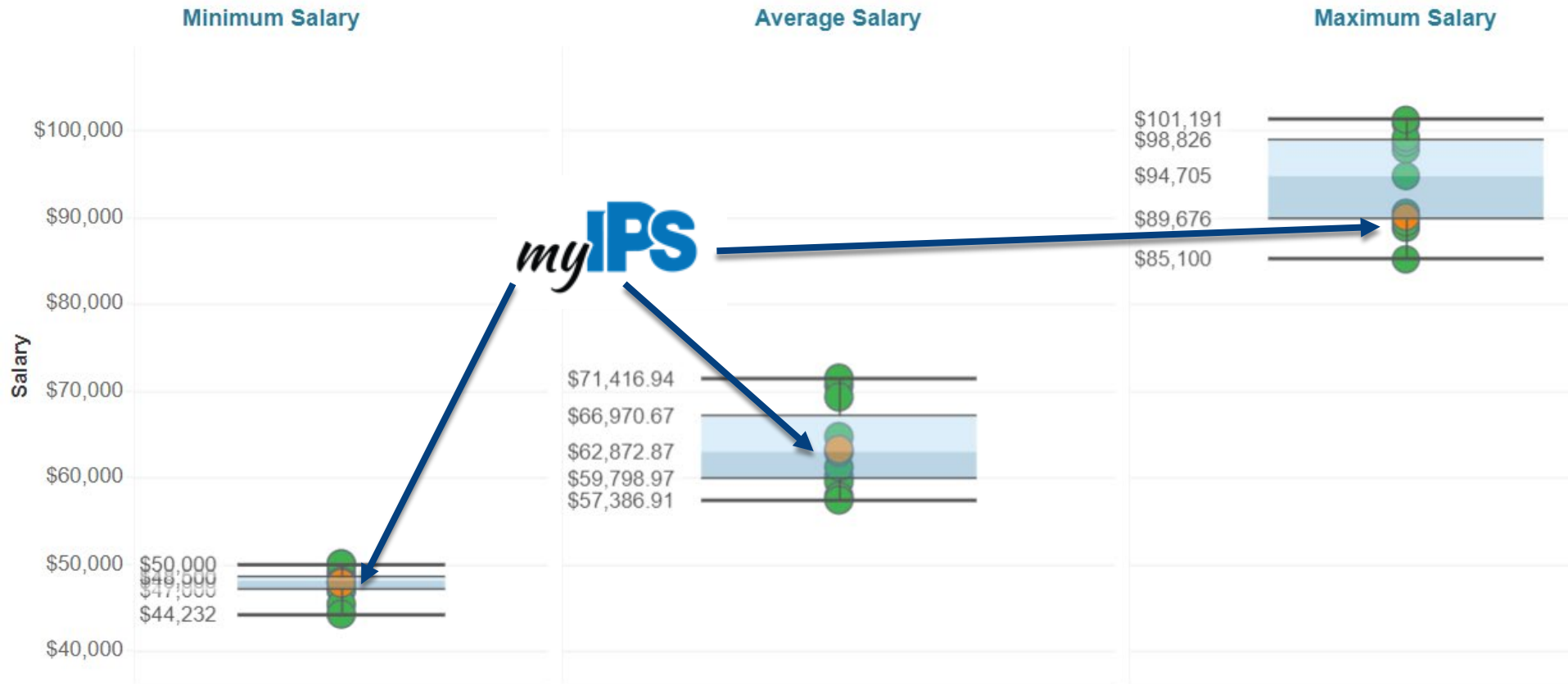
Average Compensation for IPS Teachers



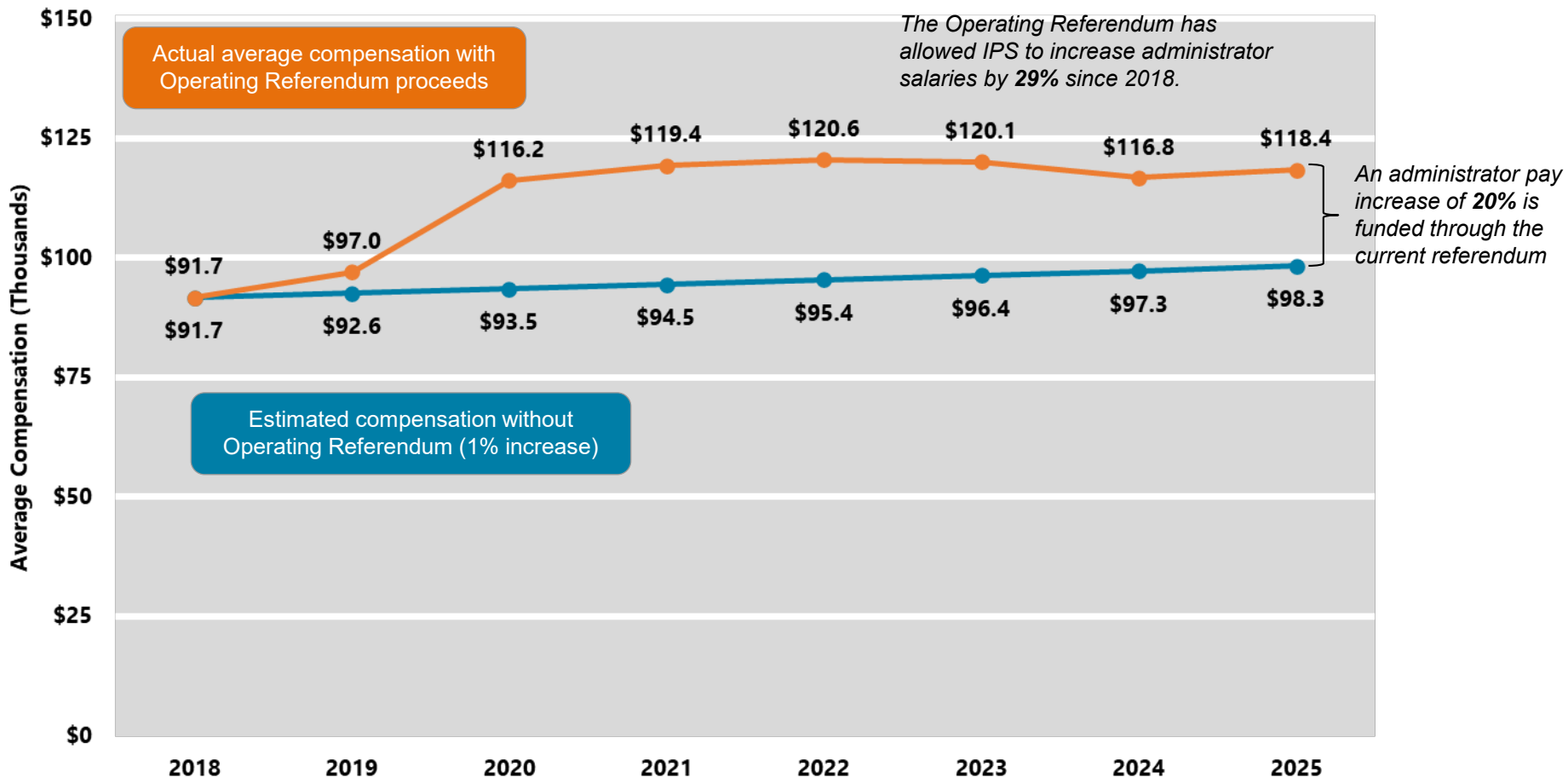
In 2015, IPS was lagging nearly all other Marion County School Districts at all levels on the pay scale - Minimum (Starting) Salary, Average Salary, and Maximum Salary



In 2023, IPS is now in the “middle of the pack” among Marion County School Districts when it comes to Minimum (Starting) Salary for Average and Maximum Salary



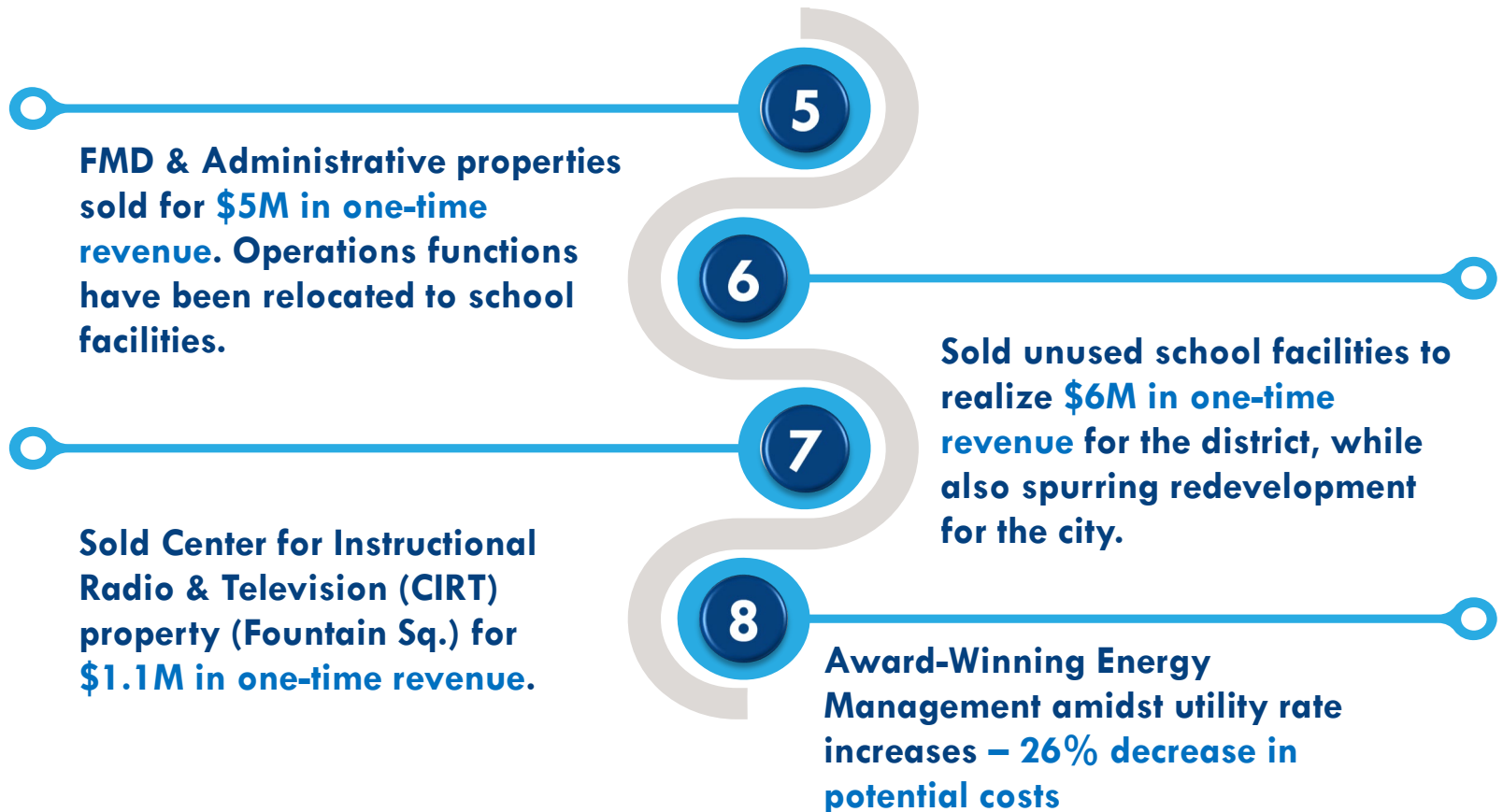
Average Compensation for IPS Certified Administrators



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

- \$93M 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
- \$21M in cumulative savings since 2017 in custodial staffing costs

System Modernization

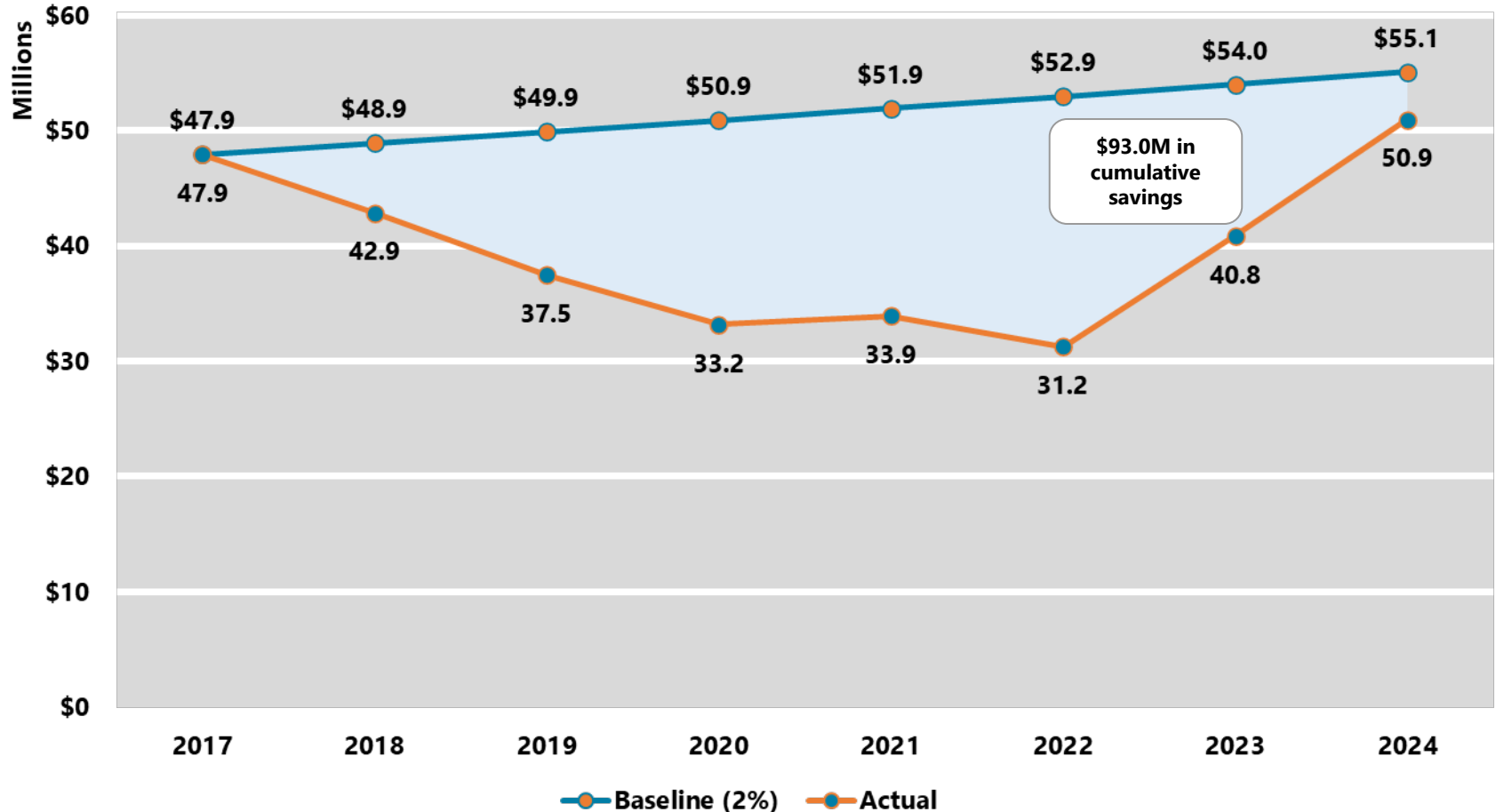
- Increasing automated systems
- Cultivating a service mindset

Health Insurance & Wellness

- Controlled costs while increasing access to quality providers

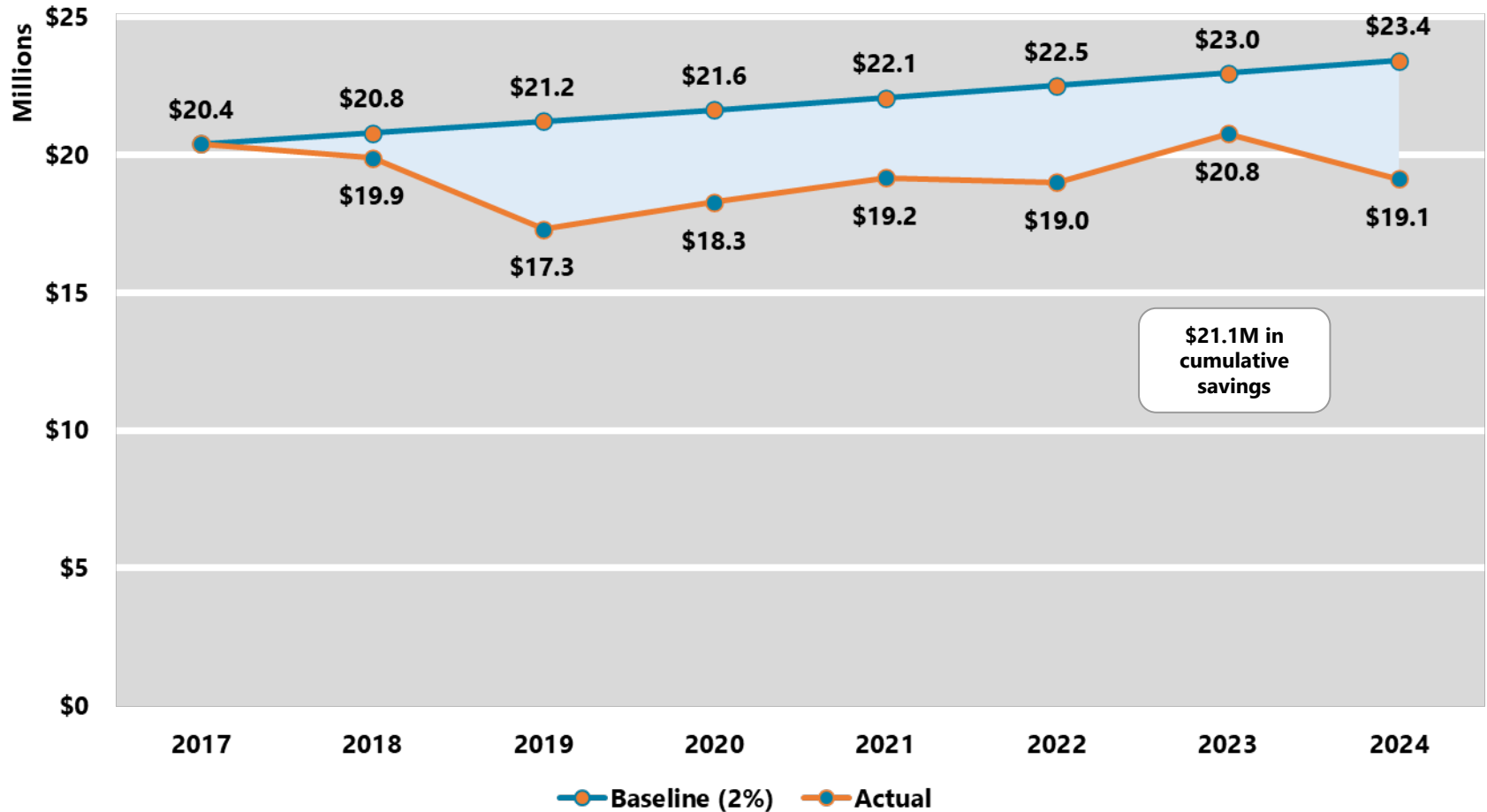
Transportation Efficiency Savings

Compared to Pre-Referendum Projection



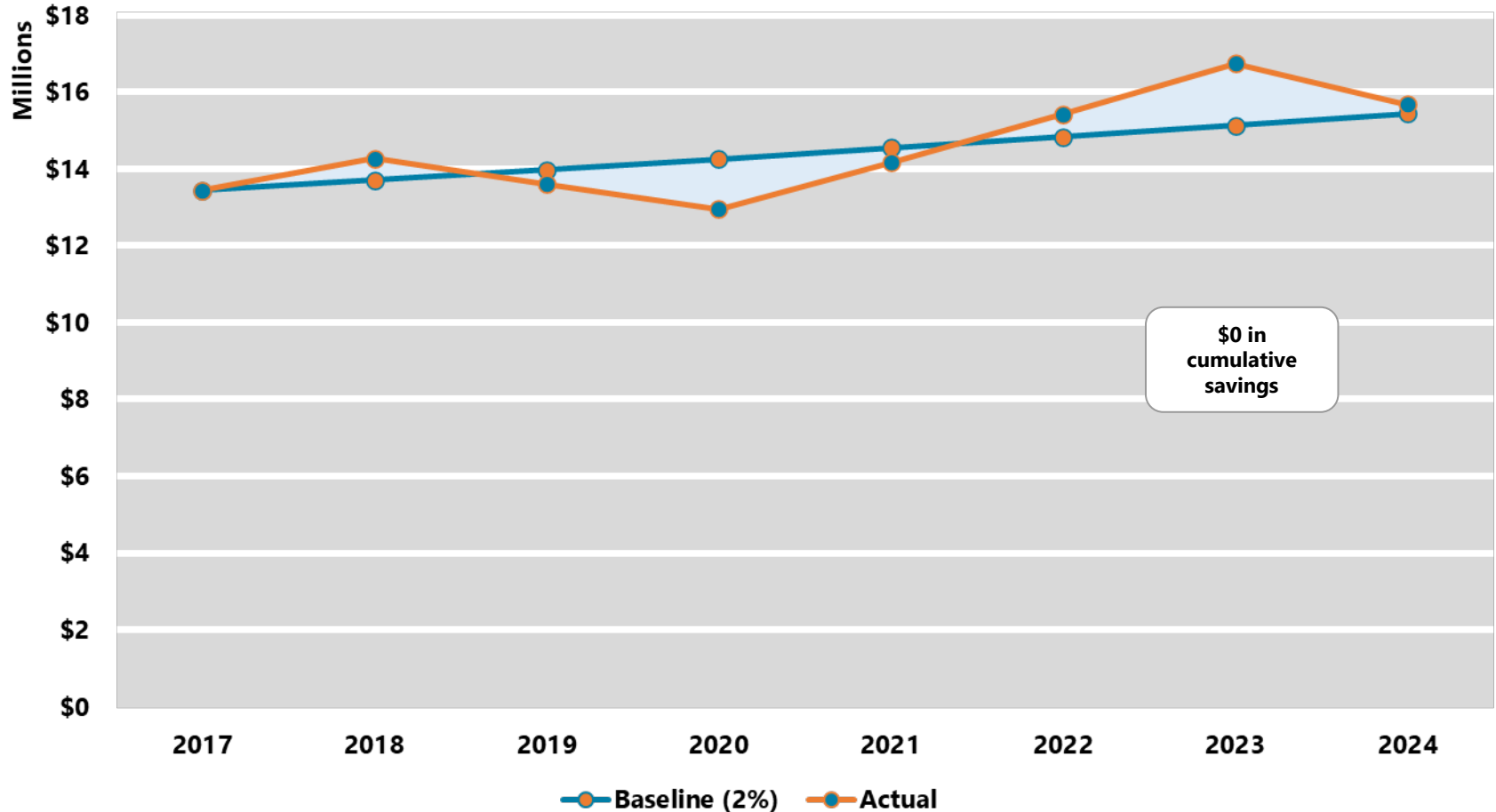
Custodial Efficiency Savings

Compared to Pre-Referendum Projection



Utilities Efficiency Savings

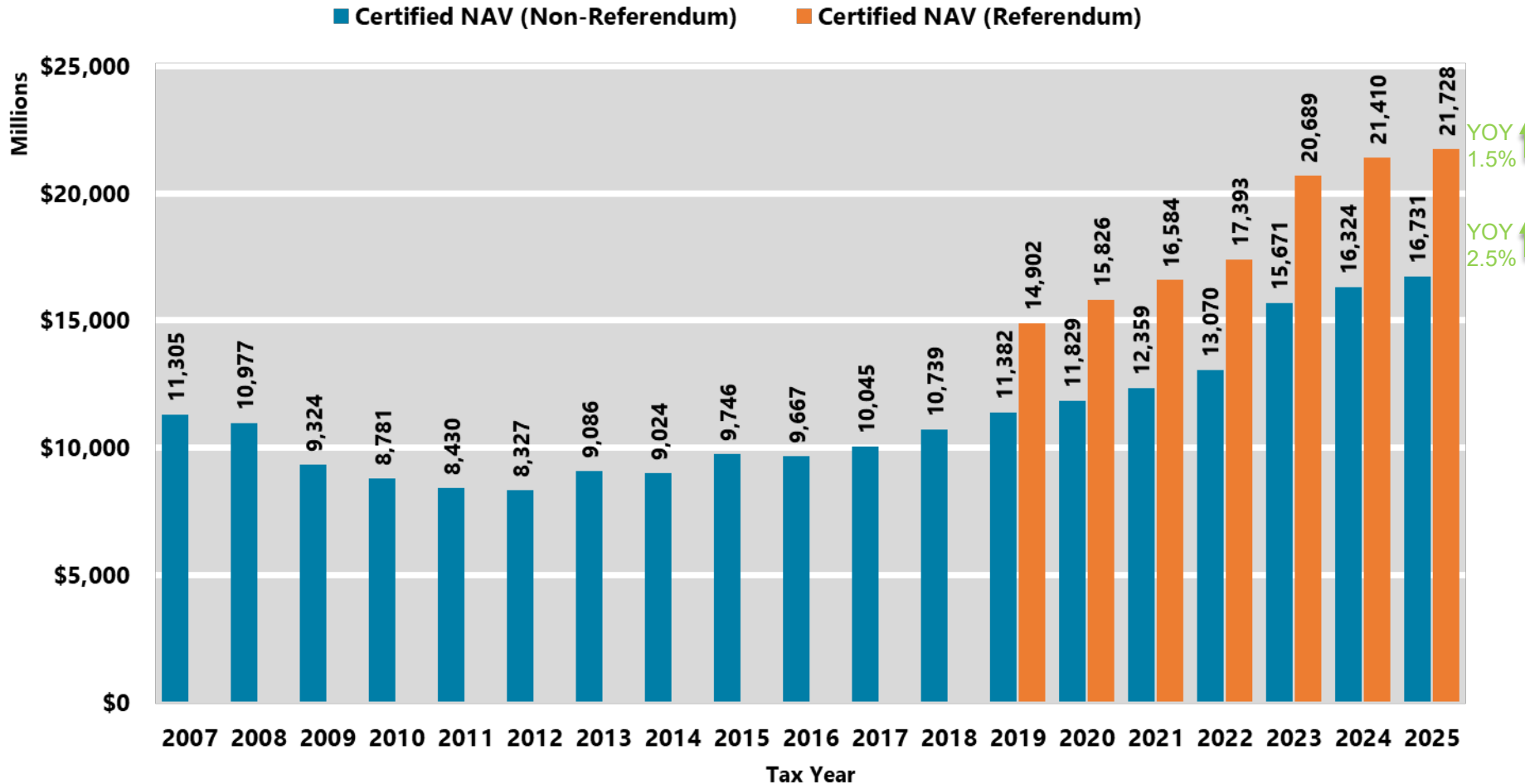
Compared to Pre-Referendum Projection



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

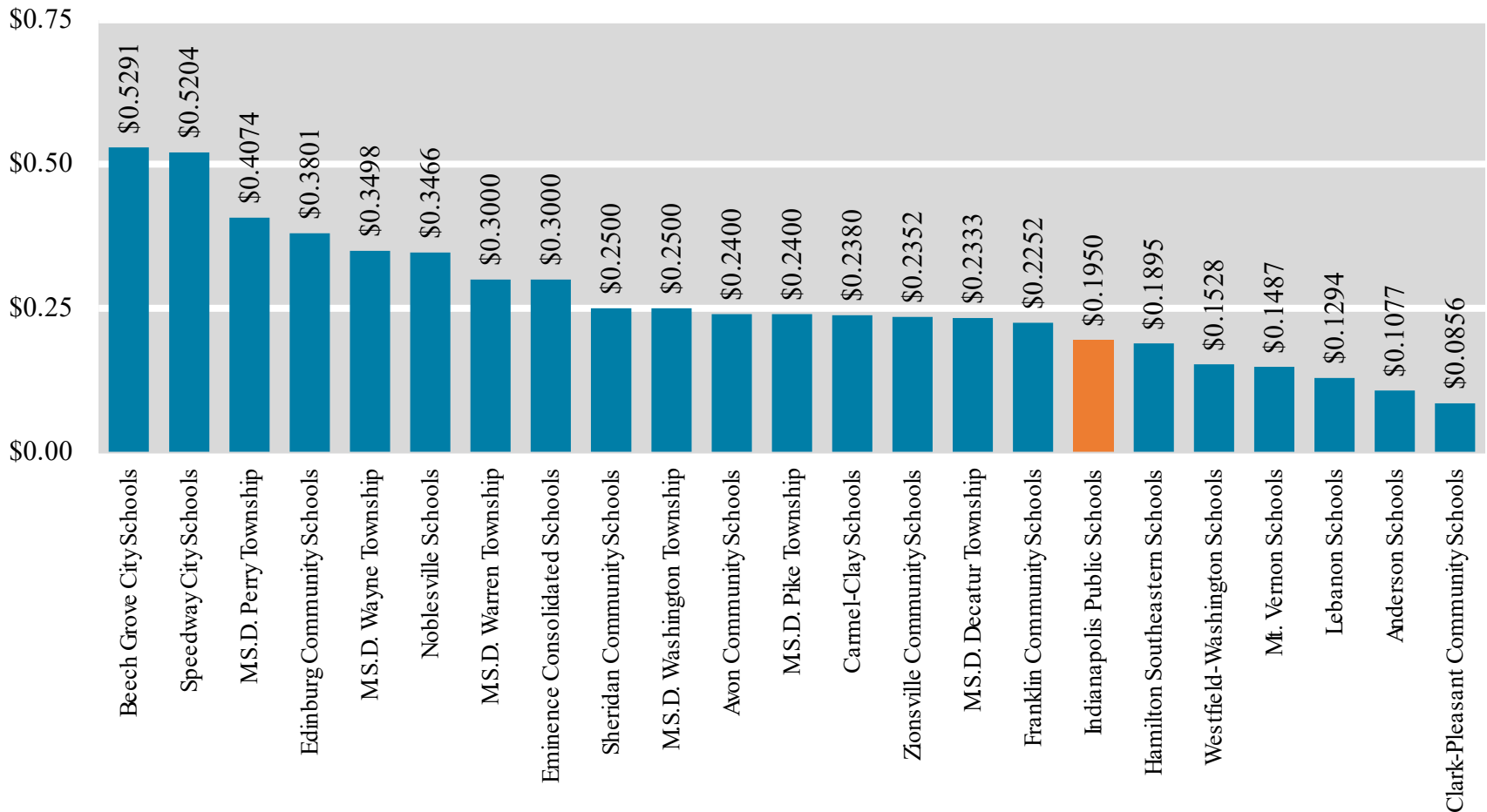
Funds	SY 15-16	SY 16-17	SY 17-18	SY 18-19	SY 19-20	SY 20-21	SY 21-22	SY 22-23	SY 23-24
Interest Income	\$640K	\$1.6M	\$1.9M	\$2.5M	\$2.7M	\$1.1M	\$677K	\$3.5M	\$11.3M
Textbook Rental & IDOE Reimb	\$1.7M	\$1.8M	\$2.0M	\$1.7M	\$1.8M	\$2.1M	\$1.7M	\$1.9M	\$3.3M
Medicaid Reimbursement	\$674K	\$941K	\$1.9M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

Historical Perspective: Certified Assessed Value (\$)



Operating Referendum – Comparison with Central Indiana?

Central Indiana School Operating Referendum Tax Rates

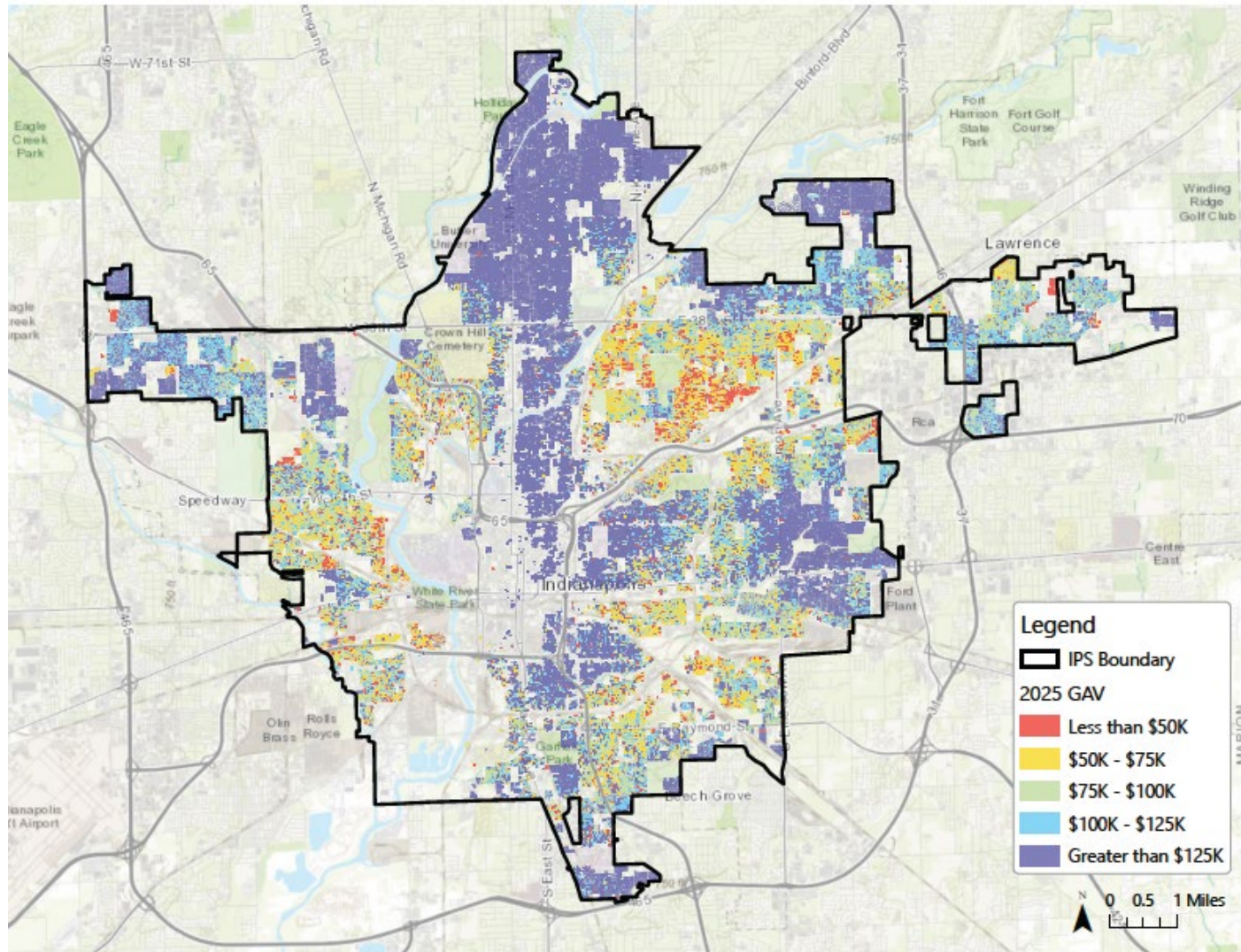


Property Tax Considerations in IPS Boundary

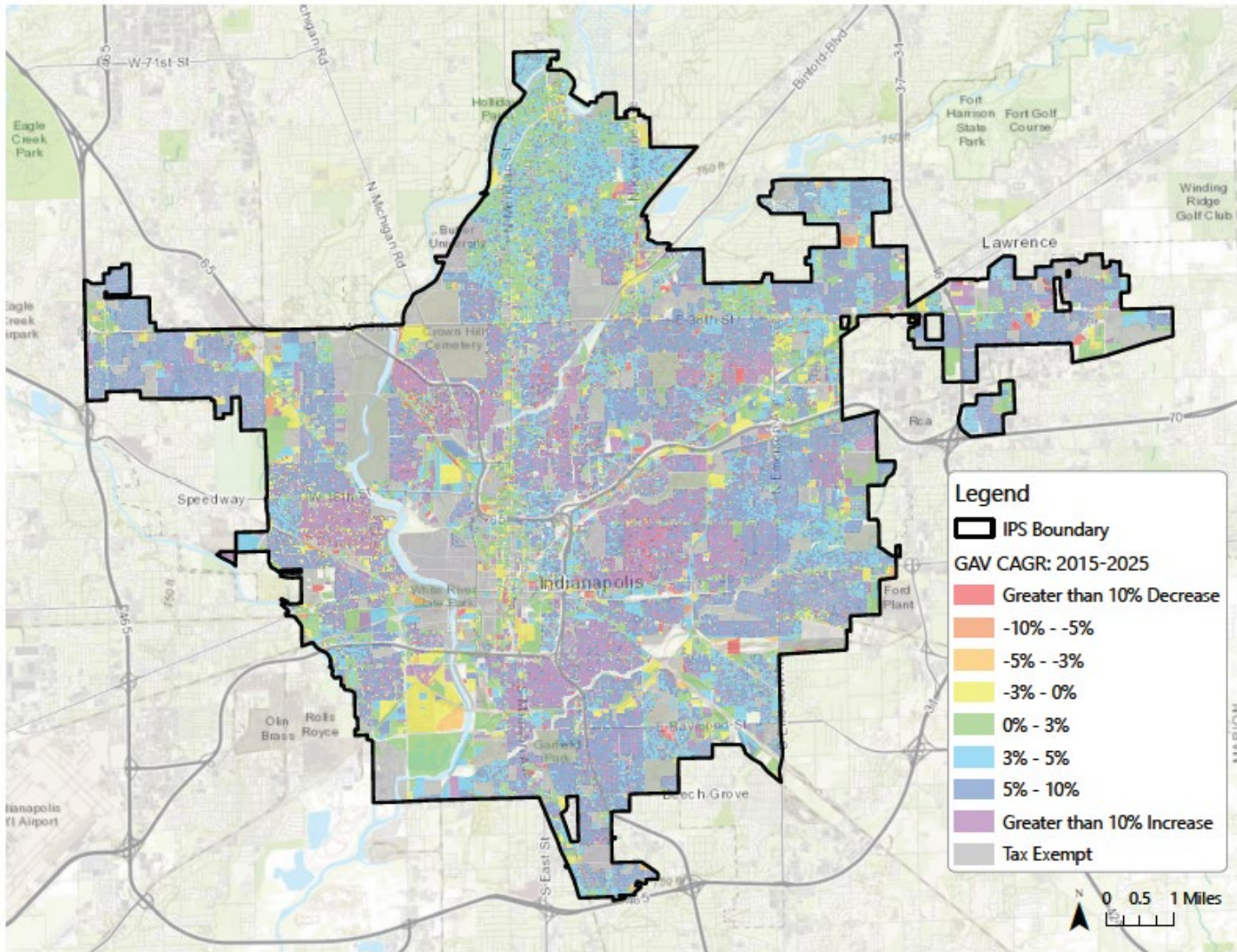
Range of Residential Gross Assessed Valuations for 2025 in IPS Boundary

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

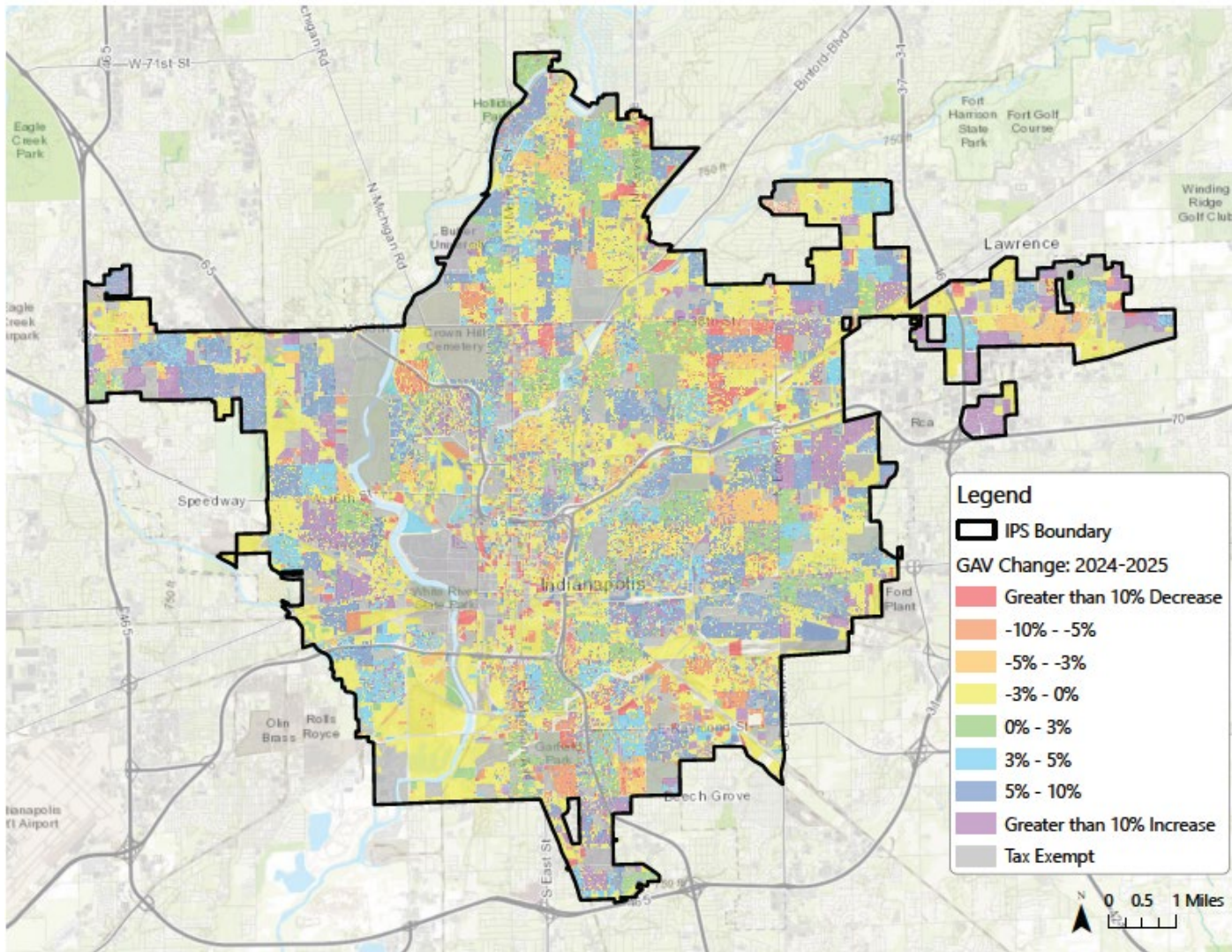


IPS Gross Assessed Value change from 2015 to 2025 in IPS Boundary

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

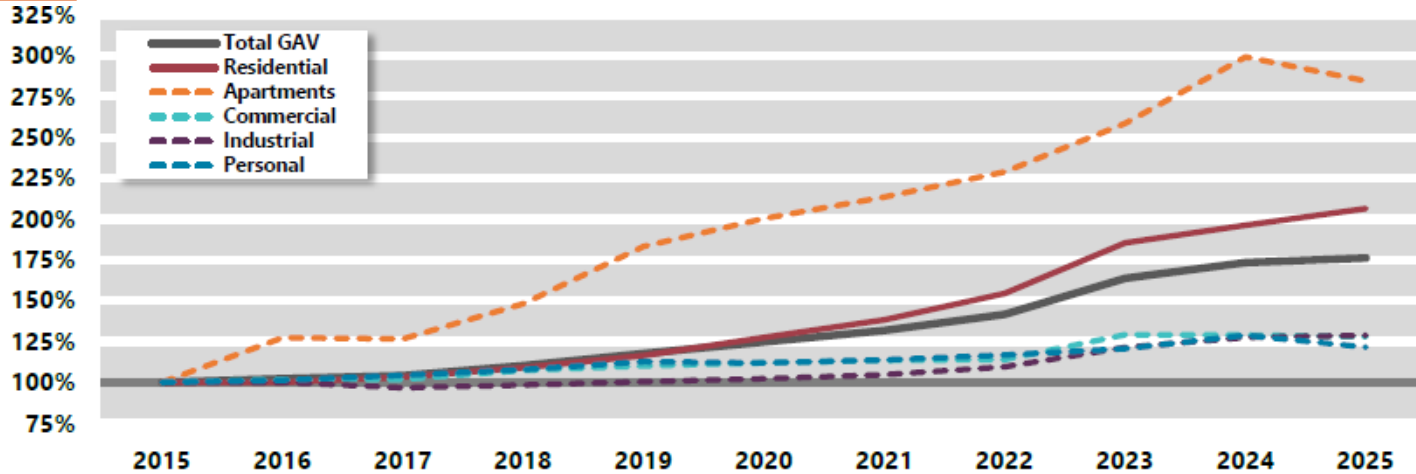


IPS Gross Assessed Value (all property types) change from 2024 to 2025 in IPS Boundary

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.

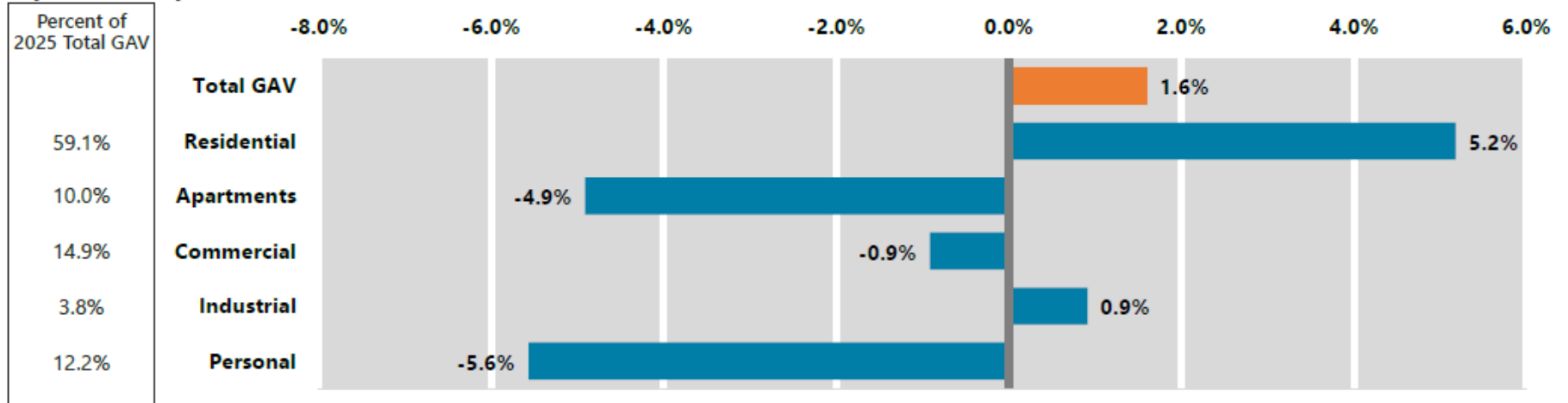
IPS Gross Assessed Value History by Property Class (Indexed to 2015)



IPS's tax base is comprised primarily of residential property, which increased by an average of 7.5% between 2015 and 2025. In total, IPS's gross assessed value has increased by 5.8% annually since 2015.

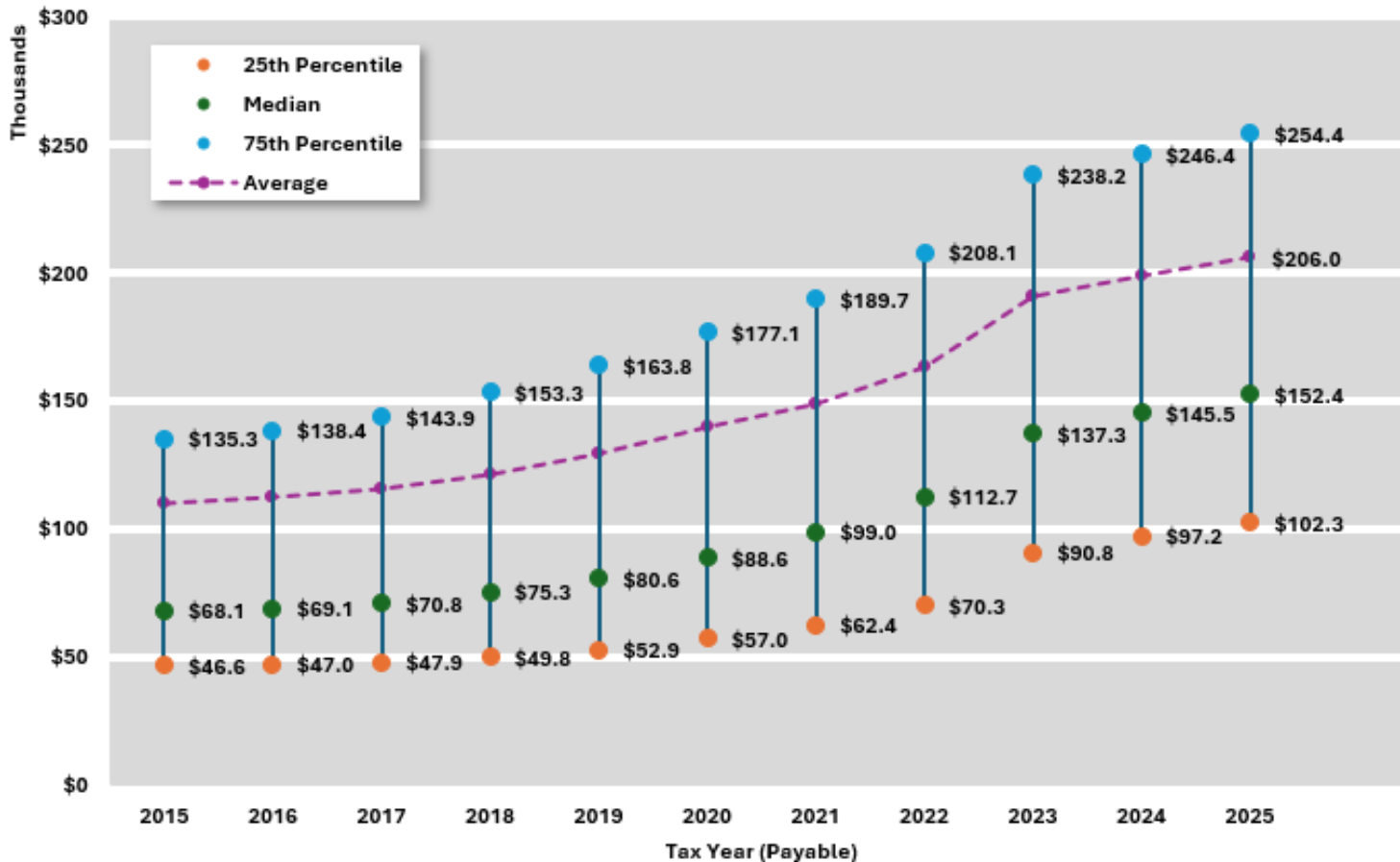
Gross Assessed Value Change by Property Class

Pay 2024 to Pay 2025 Tax Year



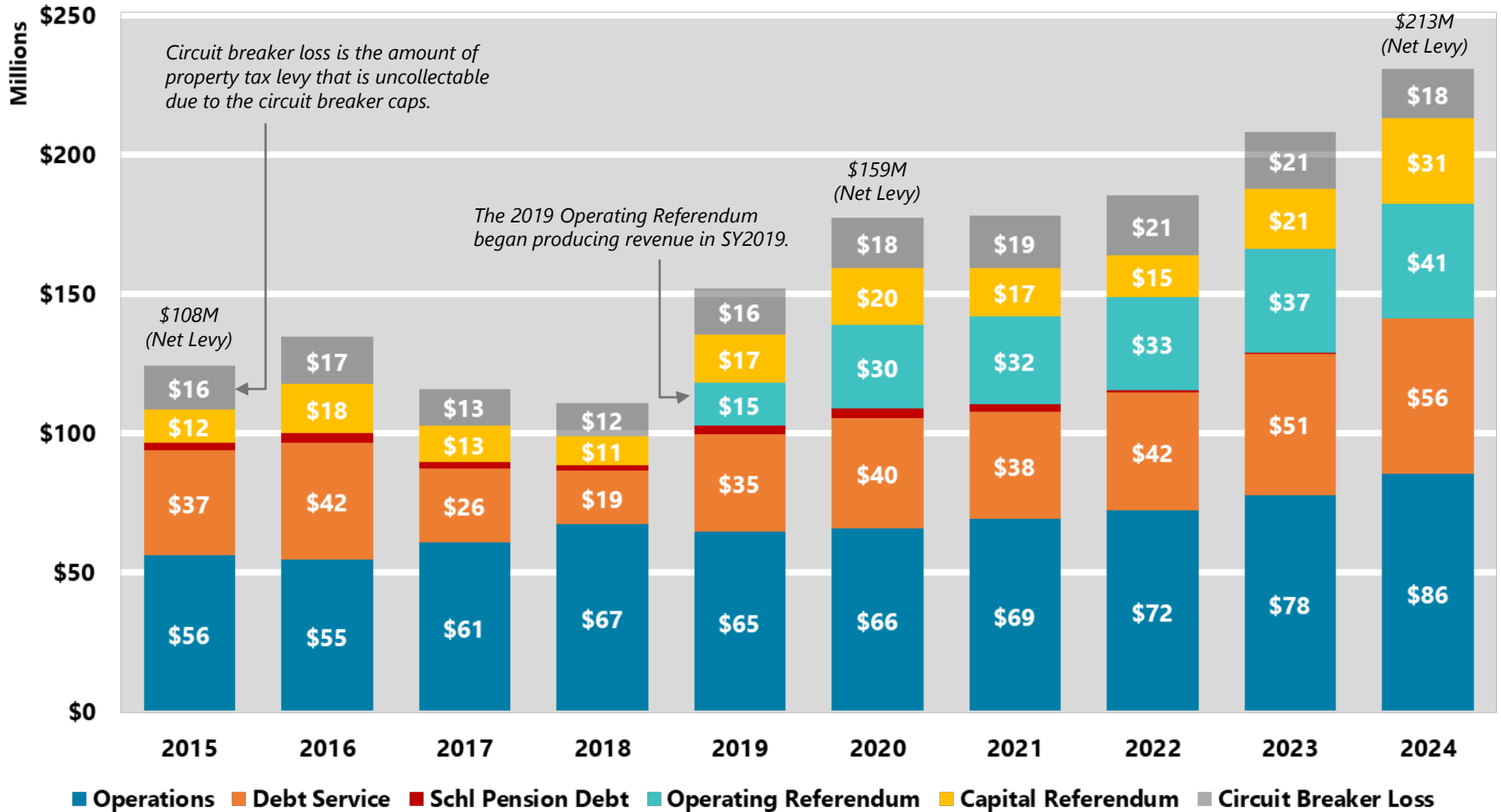
IPS Homestead Gross Assessed Value by Tax Year

Homestead Assessed Value within IPS Boundaries



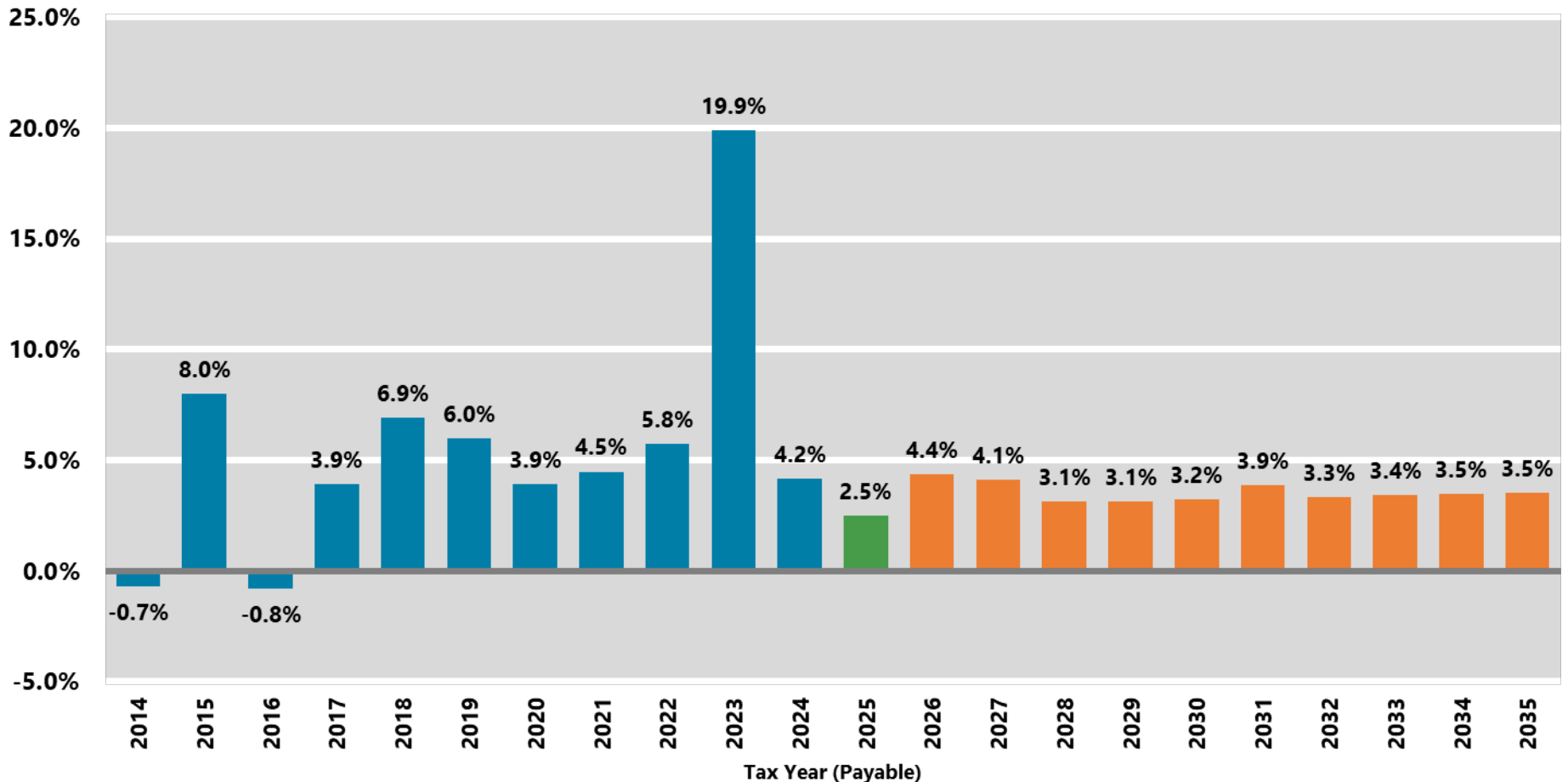
- The median homestead (owner occupied) gross assessed value within IPS boundaries is \$152,400.
- The median homestead increased by 4.7% between the Pay 2024 and Pay 2025 tax years.
- Between the 2023 and 2018 tax years, the median home value increased by 13% annually.

IPS Property Tax Revenue by School Year

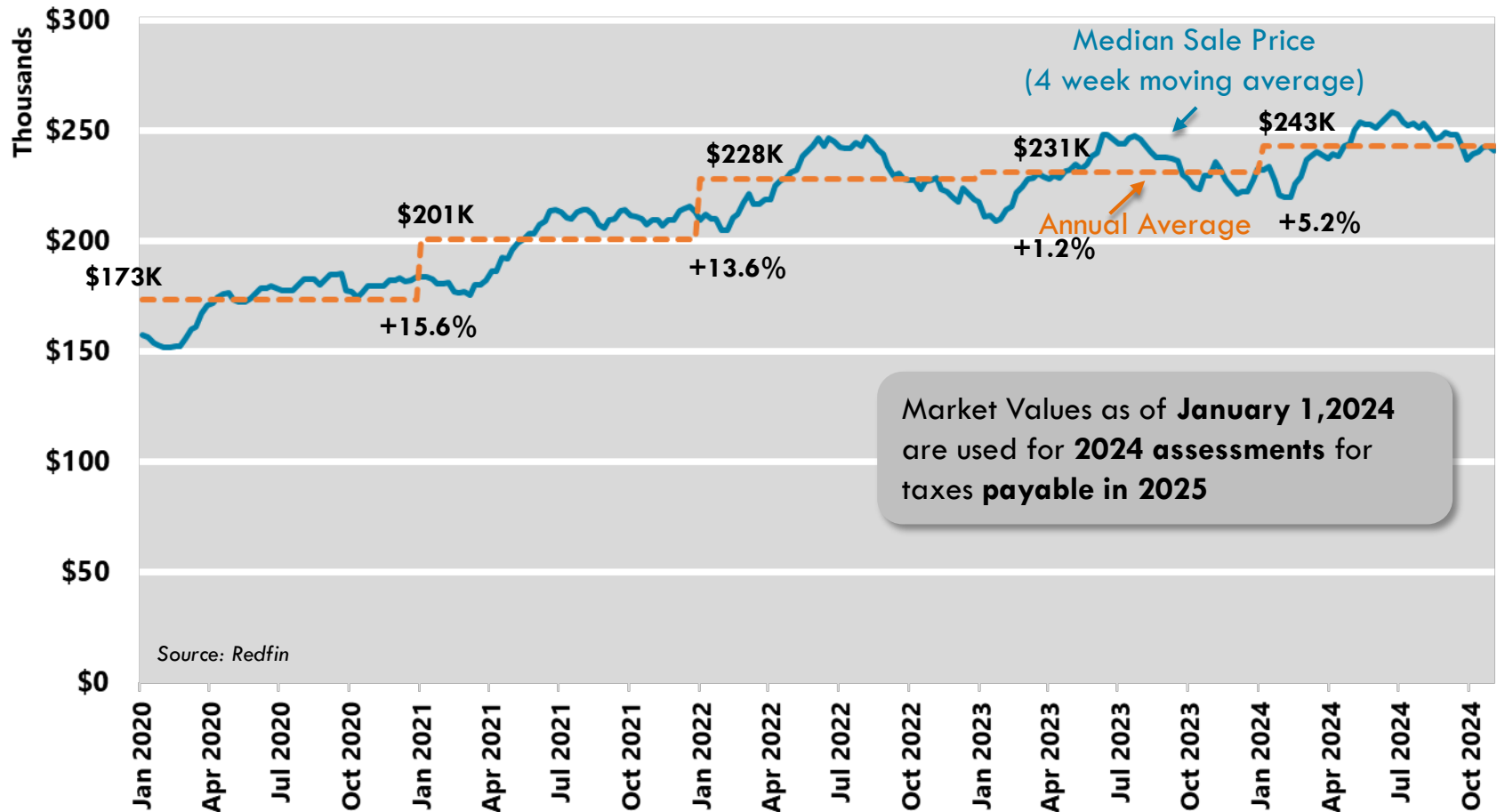


Certified NAV Growth – Historical & Projected

Annual Change in IPS Certified NAV (Historical and Projected)



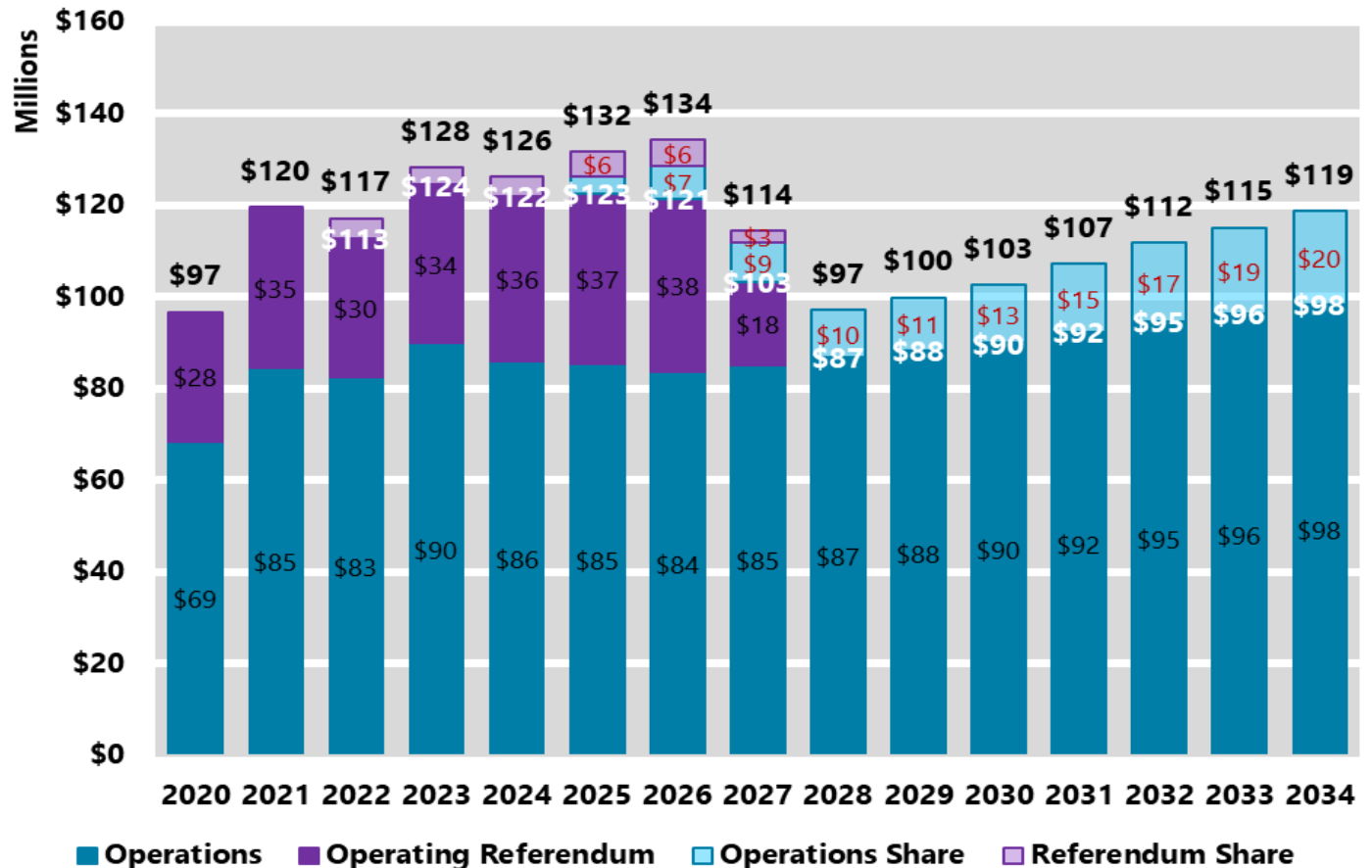
Marion County Median Housing Sale Price



Local Property Tax Revenue

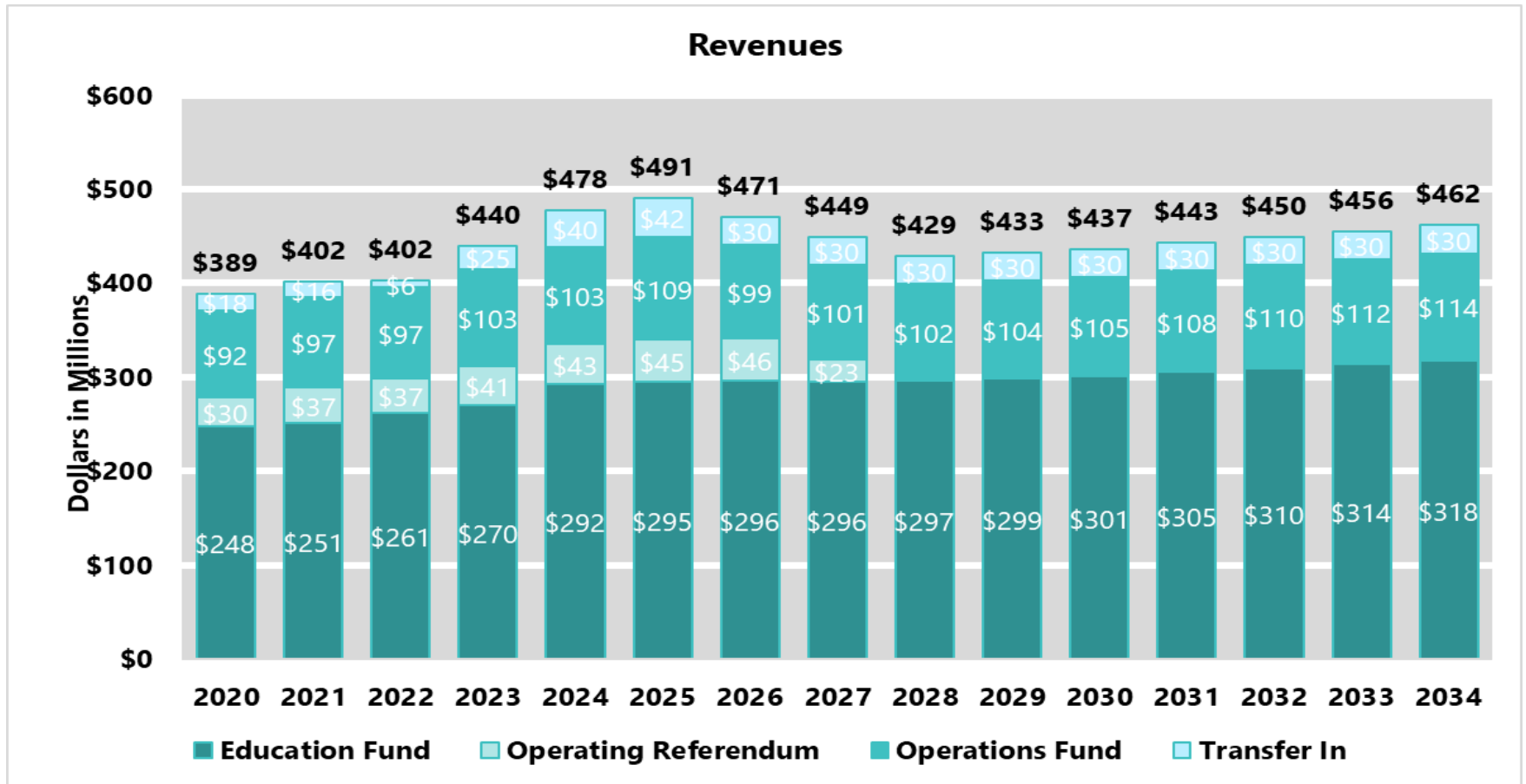
Operations and Operating Referendum Funds

- Property tax revenue projection assumes a fixed debt service tax rate, meaning debt service capacity increases with the tax base.
- 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.



Revenue Projection

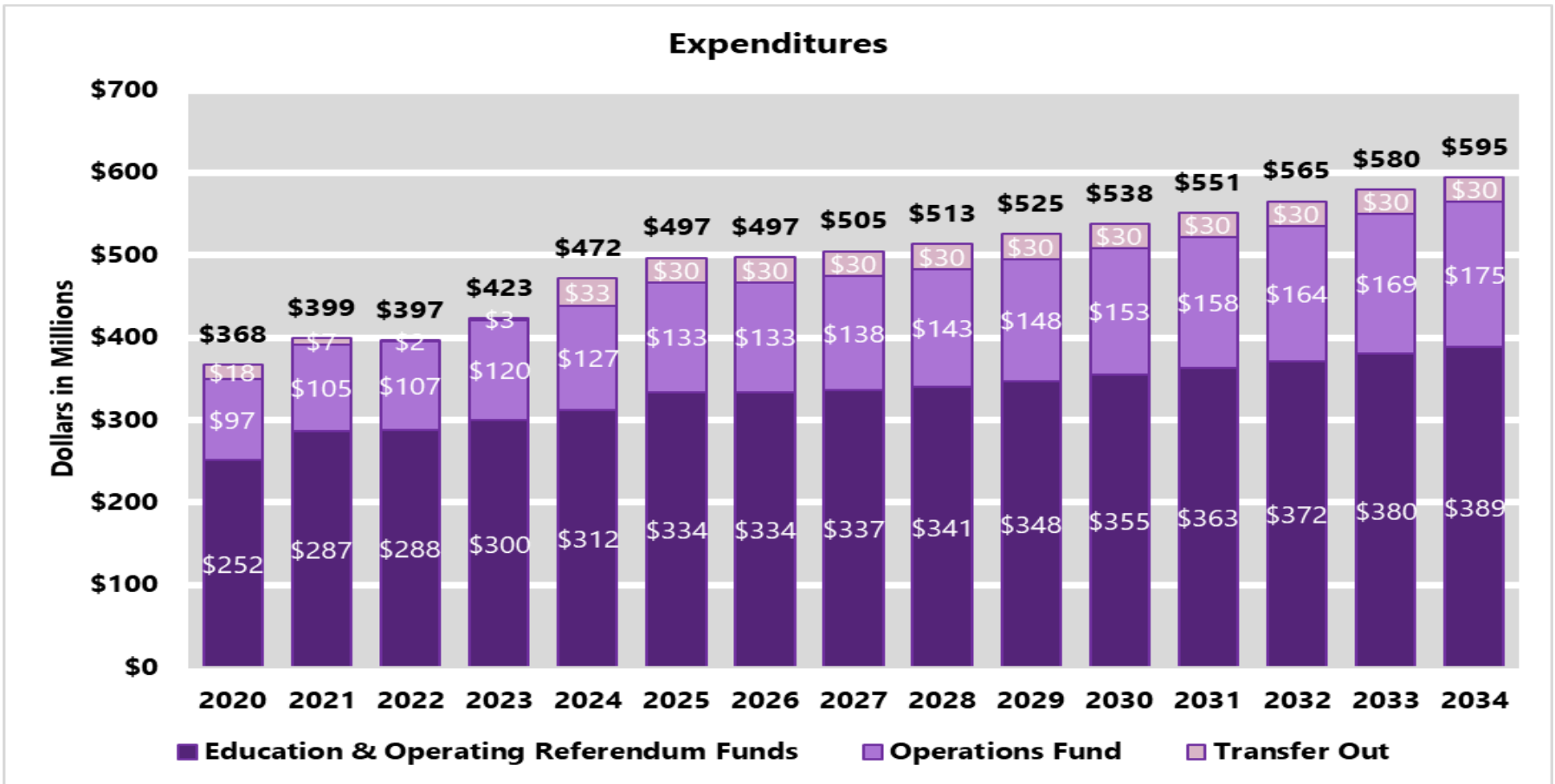
Education, Operations, and Operating Referendum Funds



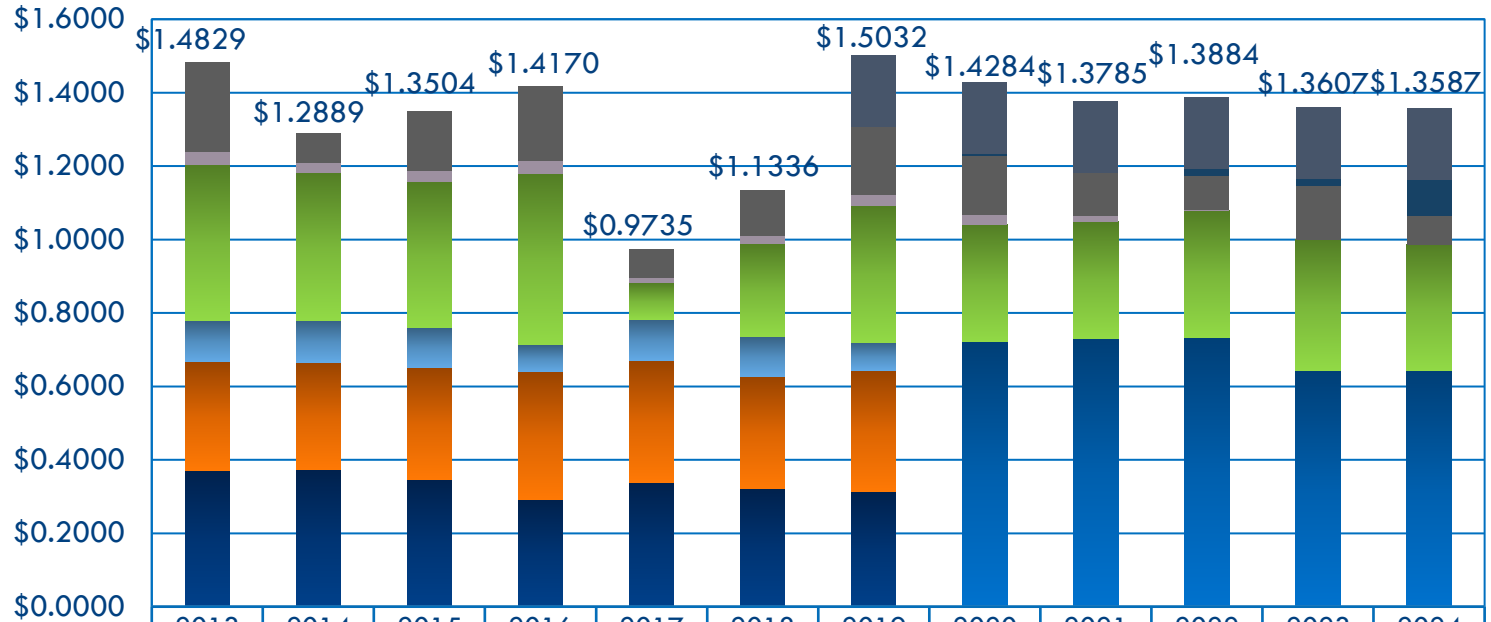
IPS Expenditure Forecast by Fiscal Year (excludes Debt Service)

Expenditure Projection

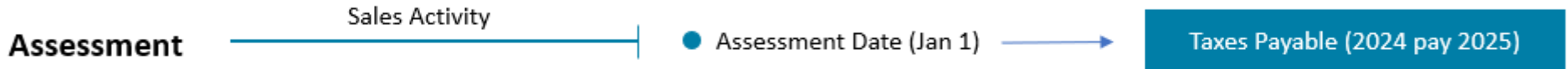
Education, Operations, and Operating Referendum Funds



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



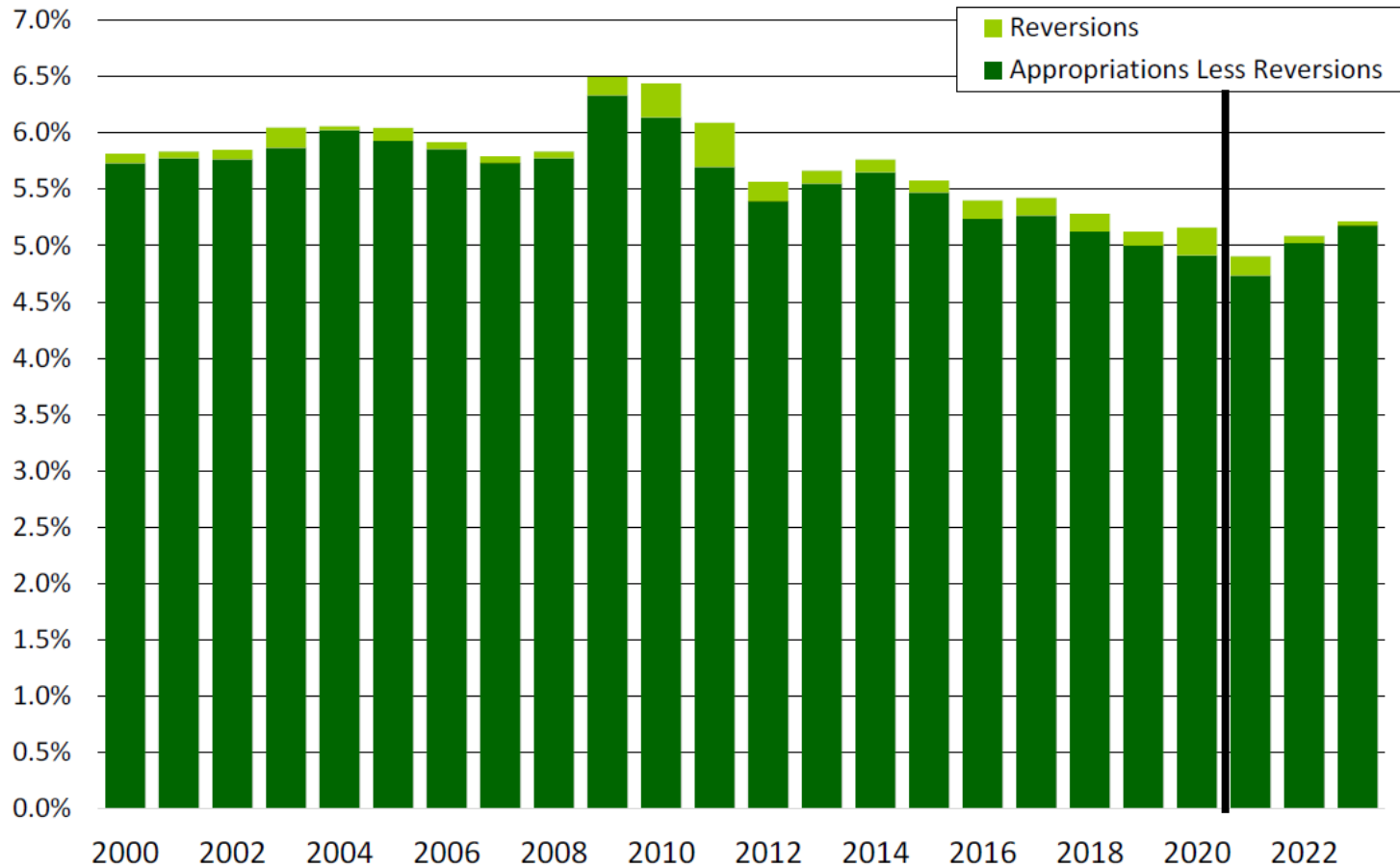
■ Referendum Operating	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.1960	\$0.1960	\$0.1960	\$0.1960	\$0.1960	\$0.1950
■ Referendum Debt Post '09	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0053	\$0.0026	\$0.0193	\$0.0168	\$0.1000
■ Referendum Debt Pre '09	\$0.2433	\$0.0790	\$0.1621	\$0.2025	\$0.0777	\$0.1232	\$0.1863	\$0.1595	\$0.1171	\$0.0916	\$0.1482	\$0.0770
■ 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
■ 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
■ 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
■ 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
■ 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
■ 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



Indiana Forecast Revenues 2021–25 (in millions)

	Actual 2021	Actual 2022	Forecast 2023	Forecast 2024	Forecast 2025
Revenues	19,407	21,191	21,034	21,854	22,432
Sales Tax	9,073	9,991	10,531	10,815	11,101
Indiana Income Tax	7,531	8,181	7,561	7,907	8,240
Corporate Income Tax	1,385	1,540	1,190	1,358	1,379
Gaming	409	452	487	439	438
All Other	1,009	1,027	1,265	1,335	1,274

Indiana State Appropriations as Percent of Indiana Total Personal Income (Budgeted 2021–2023)





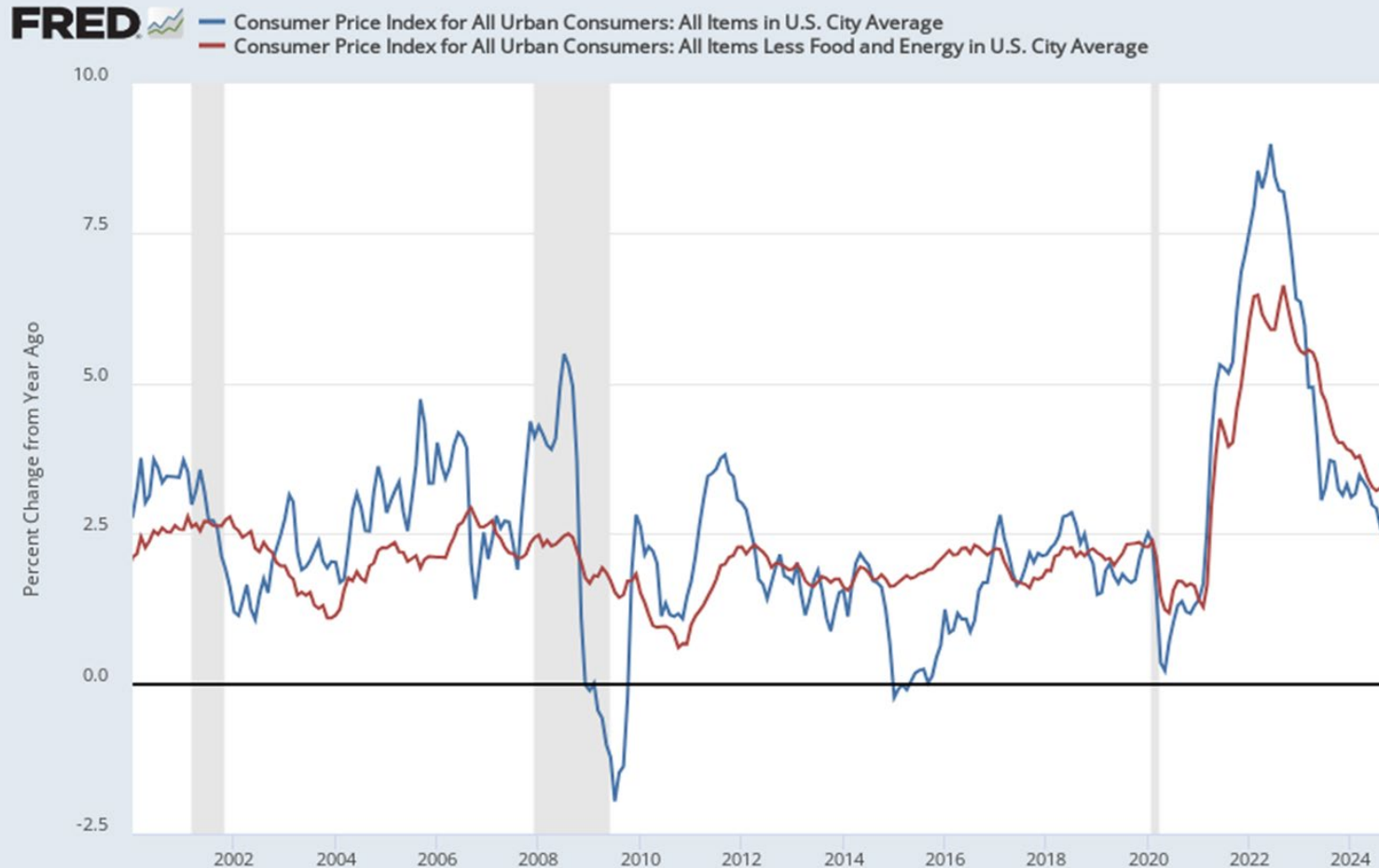
Long-Term Budget Planning

101

Indiana Budget Appropriations 2020–25 (in millions)

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

Inflation – Increase in Prices and Decrease in Purchasing Value



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 couple years and into SY 2024-25. These impact families and organizations in ways such as employment disruption, issuance of various federal stimulus payments, 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

myf.red/g/1Ai97

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"> 1) Utilize commodity items 2) Menu Shifts 3) Contract pricing shifts 4) Strategic sourcing 	<ol style="list-style-type: none"> 1) Cenergistic partnership 2) EnergyStar building initiatives 3) Building Access Control investments 4) Strategic sourcing 	<ol style="list-style-type: none"> 1) Execute Bond Issuance and Reimbursement Resolutions 2) Adjust project timelines 3) Strategic sourcing
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 2022-23
- ❑ Implemented Student-Based Allocation to distribute funds based on need
 - ❑ Established [Policy](#)
 - ❑ Distributed funds via Weighted Student Formula since [SY 2017-18](#). (SY 2023-24 Allocations [here](#))