North Montgomery Community School Corporation acknowledges receipt of the Indiana Department of Education notification dated October 23, 2026, regarding fiscal year 2026 teacher compensation expenditures.

The notification concerns the requirement under Indiana Code 20-28-9-28 that at least 65% of applicable state tuition support be expended on teacher compensation. We were told we missed the mark by $21,848.07.

Based on the financial information IDOE reviewed, North Montgomery Community School Corporation did not meet the statutory requirement for fiscal year 2026.

We request that acknowledgment of the notification be entered into the official minutes of this meeting. The district will publish the notifications on its website within 30 days, as required by law.

At this time, we know we provided every teacher with a $4,000 stipend in 25-26. The stipend was paid in two installments (fall 25' and spring 26'). Total district cost was over $400,000. Given the stipend costs, it remains unclear how the stipends did not contribute to meeting the funding floor requirement, even after requesting an explanation. So there was confusion about not meeting the funding floor during that period. Another factor to consider is the loss of 62 students in our district.

Curriculum reimbursement is now embedded in our education funding, but the exact amount is no longer specified. In the first four years, we averaged $63,000 in state reimbursement toward textbooks. If this average remains accurate, it would ensure we meet the funding floor requirement.

The administration will review the financial calculations and reporting classifications associated with these notifications and continue to seek clarification from IDOE as appropriate.

We remain committed to supporting our teachers, maintaining responsible financial practices, and ensuring transparency with our Board and community.

Sincerely,
Dr. Anthony Tharp

INDIANA DEPARTMENT of EDUCATION

Mike Braun, Governor
Katie Jenner, Secretary of Education

October 21, 2026

Received
OCT 23 2026
North Montgomery
Community School Corporation

North Montgomery Com Sch Corp
480 W 580 N
Crawfordsville, IN 47933

Dear Dr. Colleen Moran,

Pursuant to Indiana Code (IC) 20-28-9-27, school corporations that received an increase in tuition support from the previous fiscal year are required to spend an amount for full-time teacher salaries that was not less than the funding floor. The funding floor is defined as the amount a school corporation expended for full-time teacher salaries during the previous state fiscal year plus the lesser of stipends provided to a majority of teachers in the previous two years (excluding Teacher Appreciation Grant stipends). **This memo serves as notice that North Montgomery Com Sch Corp (5835) received an increase in state tuition support between fiscal year 2025 and fiscal year 2026 and the funding floor was not met.**

Full-time teacher salaries included full-time teachers and temporary teachers as defined by IC 20-18-2-22(d), which were coded in Form 9 financial information as object 110 and subcategories 30 to 33. Form 9 financial information submitted by North Montgomery Com Sch Corp for fiscal years 2025 and 2026 reflected the following:

| | |
|---|---|
| **Fiscal Year 2025 State Tuition Support:** | $14,459,873 |
| **Fiscal Year 2026 State Tuition Support:** | $14,666,566 |
| **Fiscal Year 2025 Funding Floor:** | $6,803,354.08 |
| **Fiscal Year 2026 Full-Time Teacher Expenditu** | $6,781,505.93 |

Please note expenditures coded to school id 8888 (other public school) were excluded from the calculation for both fiscal years.

Pursuant to IC 20-28-9-27, North Montgomery Com Sch Corp must do the following:

1) Publicly acknowledge receipt of this notice from the Indiana Department of Education (IDOE) at the governing body's next public meeting
2) Enter an acknowledgement of the notice into the governing body's official meeting minutes.
3) Within 30 days of the meeting, publish this notification on the school corporation's website.

Contact IDOE's Office of School Finance with any questions.

Sincerely,

Brenda A Erbse

**Brenda Erbse**
Senior Department Director, Office of School Finance

cc: Katie Melvin, Michael Shepherd